



**Execs In The Know**



2024

# CX LEADERS TRENDS & INSIGHTS

CORPORATE EDITION

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IN PARTNERSHIP WITH:

 **TELUS** International

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# INTRODUCTION

This year's CX Leaders Trends & Insights survey results confirmed many of the trends first established last year. Spending on artificial intelligence-(AI) powered customer experience (CX) technology continues to expand, as does the appetite of CX leaders to learn more about how to apply and maximize this rapidly advancing technology. Ironically, this investment is occurring at the same time as many CX leaders are stymied by legacy systems and outdated tools. Although the shift toward greater digitization is well underway, there are no shortages of challenges that could seek to derail further progress. Budgetary pressures continue to mount, and increases in layoffs and hiring freezes means a "do more with less" mindset is emerging.

The good news: It appears the industry is succeeding in doing more with less, while also succeeding in taking an opportunistic approach to innovation. Companies are winning by establishing closer internal relationships, unifying goals and objectives, and putting the customer first. CX and customer first thinking is gaining strength and influence, and the timing could not be better. In fact, more CX leaders than ever before (46%) feel their organizations are doing a good job of driving loyalty with their CX operations, and a newly introduced question this year reveals that CX operations wields "Extreme" or "Moderate" influence at 76% of organizations (page 54).

The coming year promises to be an interesting one on many fronts. While AI is exciting, CX leaders shouldn't lose sight of their most important asset – their people. A shift back into the office has begun in earnest, and engagement and cultural immersion remain critical for a significant portion of the workforce, especially as that workforce slows in growth. By focusing on people first, including both customers and employees, brands will develop the relationships needed to overcome any of the challenges they currently face.

## Highlights from this year's research:

- » Seventy-three percent of organizations are currently investing in AI for their CX operations, up from 48% year-over-year (page 70)
- » The most significant challenge for CX operations is "Legacy Systems/Processes/Tools," with 35% of CX leaders naming this as their biggest challenge (page 52)
- » Seventy-six percent of respondents described the influence of CX at their organizations as either "Extreme" (25%) or "Moderate" (51%), with only 7% describing CX's influence as "Little" or "None at All" (page 54)
- » More "Leadership Engagement/Recognition" is thought to be the top motivator for CX agents, with 59% of CX leaders naming it as one of the most effective (page 21)
- » More CX leaders than ever before (46%) feel their organization does a good job of using CX operations to drive customer loyalty (page 64)
- » The average percentage of outsourced agents working from home has fallen to 41%, down from 60% year-over-year (page 27)

# A NOTE FROM THE AUTHORS

It is with great pleasure that we release this, the *2024 CX Leaders Trends & Insights: Corporate Edition* report, a follow-up to the Consumer Edition report released this past September.

This new report introduces more than a dozen new and revised questions, along with more than 70 existing data points, providing unrivaled insight into the report's four key areas: Workforces and Workplaces, Touch Points, CX Strategies, and CX Technology. It is our hope that this information will help inspire and guide our readers as they tirelessly work to improve the customer experience at their esteemed organizations.

Special thanks to project partners, TELUS International, who have been exceptional teammates in shaping and evolving this research. Be sure to check out the special commentary and analysis of findings from Kory Laszewski, VP, Global Sales at TELUS International. You can find Kory's commentary on page 6. Also, a very special thank you to the 11 CX leaders who contributed their time and insights in reaction to a number of survey results. You can find their contributions throughout the report, as illustrated below.

Sincerely,

The Execs In The Know Research Team



Thanks again to this edition's practitioners! Their contributions can be found on these pages:

Janet Poklemba  
(page 20)



Jason Mercer-Pottinger  
(page 22)



Karen Slusher  
(page 22)



Mark McKercher  
(page 24)



Chris Smith  
(page 35)



Rich Wilder  
(page 35)



Heather Anderson  
(page 52)



Susanna Baque  
(page 53)



Rick Clark  
(page 63)



Sandra Escobedo  
(page 68)



Elmer Corbin  
(page 70)



# METHODOLOGY

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This report, the *2024 CX Leaders Trends & Insights: Corporate Edition*, was developed based on results derived from a custom 90-question survey delivered via the SurveyMonkey online platform.

Surveying occurred from October 20 through December 22, 2023. Private invitations to partake in the survey were delivered by email to the Execs In The Know community and via promotion within Execs In The Know's private online community, Know It All. Invitations targeted individuals responsible for managing the customer experience and customer care programs of large Business-to-Consumer (B2C) and B2C/Business-to-Business (B2B) organizations, primarily in the United States and Canada.

The survey benefited from the participation of 117 CX leaders with individual question sample sizes ranging from 86 to 117 responses. Forty-two percent of survey participants held a title of Vice President or above. See page 11 for a detailed breakdown of this year's survey participants, including details about participation by industry, revenue, and customer type.

# TELUS International COMMENTARY

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## To Align With Customer Expectations, Deliver Data-Driven CX

By Kory Laszewski, Vice President, Global Sales at TELUS International

There's no getting around it: Customer experience in the digital age is defined and driven by data.

The data gleaned from customer interactions can, and should, form the foundation of our decisions as CX leaders. These decisions can be big, both in terms of investment and potential impact on CX delivery, for better or for worse.

Consider generative AI (GenAI). The benefits of an effective implementation are significant, but the consequences of a poor implementation could be damaging in equal measure. Customer experience leaders face pressure to act quickly, spend wisely and show results. Analyst firm Everest Group ran a survey, supported by TELUS International, about enterprise readiness for generative AI adoption in customer experience management. Over half (55%) of the 200 surveyed customer experience leaders — your peers — plan to invest \$1 million or more in GenAI in the next 12-18 months, with 16% expecting to spend over \$10 million. Signs of intent and interest are also evident in research from Execs In The Know, as the leaders surveyed for this report wanted to read more about consumer-facing AI (66%) and agent-facing AI (61%) than any other topic (page 55).

Whether you're focused on a GenAI implementation or something else entirely, gut feeling won't cut it. Data must inform CX strategies and decisions, as well as our applications of emerging technologies like generative AI. To compete and win in CX today you need to be a data-centric organization, which means developing and executing a holistic strategy covering how you gather and use data.

### START WITH CUSTOMER TRUST

You may need customer data to drive your CX operation forward, but before that, you need customer trust. Prioritize privacy, security and transparency in your data governance program, and you will be on the right track.

It all starts with ensuring you comply with, and are on top of, data privacy laws and regulations. Given these laws and regulations are in a constant state of evolution and vary from region to region, this calls for real expertise and vigilance. But even so, building trust takes more than following through on your legal obligations; to engender the trust you need to enhance your CX, there is reason to go further.





When it comes to customer data, be as transparent as possible. Let your customers know what data you're collecting, how you intend to use it, and how you will keep it safe. This transparency is important because it gives customers the opportunity to assess and make decisions about their data. By backing up your transparency with a holistic approach to security that brings together the best in humans, technology and processes, you create the right environment for trust to form. Remember: Customer trust is hard to earn but easy to lose, and your data-driven approach depends on that trust.

#### **GATHER CUSTOMER DATA BEYOND DIRECT FEEDBACK**

How customers are giving feedback is changing. According to a large Qualtrics survey of more than 28,000 consumers around the world, the percentage of consumers who submit direct feedback after a very bad experience has dropped by 7.2% since 2021. Similarly, there has been a 5.1% decrease in the number of consumers who will provide direct feedback after a positive experience.

This change in customer behavior gives CX leaders something to think about. Consider that this Execs In The Know report found that 84% of CX leaders are using surveys to capture customer sentiment and satisfaction information — far surpassing the next most common method, which was quality assurance data (48%) (page 57). At the same time, one quarter (25%) of CX leaders singled out “Gathering and Utilizing Customer Feedback” as the most important area of investment for effectively improving the customer experience (page 71). It's clear that CX leaders value customer feedback, making it important not to overlook all of the places it can come from.

To draw conclusions and form strategies that address areas of improvement and customer challenges, you need data. But just because customers are providing less direct feedback, it doesn't mean that they aren't providing quality feedback in other ways. Every customer touch point, across every channel your company leverages, is a source of essential feedback data. Review customer support call logs, interactions between your customers and your chatbots, replies on your social media posts, and anywhere else your customers interact with your brand.

There is work in organizing and operationalizing all of your customer data, but there is great value in making it accessible to key stakeholder groups across your company. For many leaders and the brands they represent, organizational silos are the nemesis of a data-driven approach. Different silos, different data, different insights — it all culminates in indifferent outcomes. According to a survey of customer experience leaders conducted by the European Customer Experience Organization just last year, silos were cited as the biggest obstacle to CX success, ahead of even technology and budgets/investment. Similarly, this very report by Execs In The Know reveals that only about one third (32%) of those surveyed responded with “Yes” when they were asked: “Do you feel your organization is using program data (things like Voice of the Customer and Quality Assurance data) in an appropriate and productive way?” (page 58).



## PUT YOUR DATA TO USE

We've arrived. You bought into the value of collecting and operationalizing data, and now it's time to put it to good use. From informing product or service enhancements to identifying opportunities for robotic process automation, there's no limit to the potential applications and benefits that could come from your data.

Recognizing that I can't cover every application, I'll apply focus where there is the most interest in the Execs In The Know community (page 55). That brings us to artificial intelligence, and how AI can be used to identify trends and improve experiences.

## IDENTITY TRENDS IN YOUR DATA WITH GENERATIVE AI

If you've gathered lots of great customer data, you want that data to yield insights that move the needle for your CX operation. And while your key stakeholder groups might draw revelatory conclusions from the data, your chances of identifying important patterns are dramatically enhanced by GenAI.

Thanks to its ability to analyze extensive datasets quickly, generative AI is changing the future of customer intelligence. GenAI can be used to pull together unstructured data from disparate sources (survey data and social media posts, for example), interpret that data using techniques like natural language processing, and summarize trends that illuminate customer sentiment and areas for improvement in the contact center.

There is one important caveat, however. While there are benefits to applying AI to identify trends in general, the potential can be significantly increased by using your program data to train your algorithms. Say, for example, you're trying to predict customer churn or even agent attrition. Ensuring that your algorithms have been trained on the nuances of your business, your customers and your agents will improve the accuracy and relevance of its outputs. To yield insights that are truly incisive and actionable, specificity is key.

## LEVERAGE GENERATIVE AI TO IMPROVE EXPERIENCES

Trained with your own data, generative AI can also become a critical part of your CX delivery, reducing effort for customers and agents alike.

Calling back to the Everest Group survey that I mentioned earlier, it found that customer experience leaders see AI's potential to improve operational efficiency and customer satisfaction. One of the key reasons they were considering generative AI solutions was to enable personalization and customization of customer interactions. For many, this form of personalization at scale has been a goal for some time due to the positive relationship between personalization and customer loyalty. It's not difficult to see the upside. Consider, for example, the experience that could be delivered by a generative AI chatbot capable of analyzing a customer's unique profile and responding with helpful answers aligned with the customer's specific preferences.

Applying generative AI is no longer something CX leaders are merely thinking about, either. For text generation, such as the text you might see in replies from a chatbot, our survey found that 46% are actively piloting or deploying GenAI, while 21% are already in the scale-up phase. This aligns with survey results shared by Execs In The Know: 39% of respondents have applied AI within their contact center operations and 31% plan to do so soon (page 76).

This *2024 CX Leaders Trends & Insights: Corporate Edition* report indicates that customer experience leaders understand the potential for GenAI to improve experiences. When respondents shared their primary objectives in implementing AI-powered solutions, reducing costs wasn't even among the top three. In order of priority, they were: improving the customer experience (80%), reducing human-assisted contact volumes (52%) and improving agent performance (52%) (page 78). This goes to show that far beyond a cost-cutting measure, CX leaders are viewing GenAI as an opportunity to deliver better, low-effort outcomes for their customers.

## OUTSOURCING COULD CLOSE EXPERTISE GAPS AND HELP YOU DELIVER DATA-DRIVEN CX

There's a lot to be gained from a data-driven approach to CX. But to realize those benefits, there is also a great deal you need to get right.

Consider:

- You need to gather customer data and adapt to changing customer behavior around feedback and evolving privacy laws that differ around the world.
- You need to operationalize the data you gather, ensuring that it is clean, secure and accessible so that you and other leaders at your company can design and develop strategies that address needs.
- You need to execute the strategies you've developed in such a way that brings out the best in your team members and the innovative, AI-powered technology at your disposal.

That's a lot to take on, and there's a lot of expertise that is required. Perhaps it's no surprise that 76% of the executives in our survey said they plan to seek the support of an outsourcing partner in some capacity to help them design, build and deliver GenAI-fueled CX, or that limited resources and internal expertise for in-house implementation was their top reason for considering outsourcing.

By forming a partnership with a trusted and experienced outsourcing provider that has the end-to-end expertise across customer experience, digital experience and artificial intelligence, delivering a data-driven approach to CX becomes a lot more manageable. TELUS International has partnered with the world's most respected and disruptive brands for over 19 years, and brings innovative services across all traditional and digital channels. If you're looking for help acting on the trends and insights shared in this report, get in touch.



 **TELUS**® International

**Kory Laszewski**  
Vice President, Global Sales

Kory Laszewski currently serves as the Global Vice President and Industry Vertical Leader at TELUS International. He is responsible for leading a world-class team of professionals focused on the development and growth of a global client base, which consists of some of the world's largest and most disruptive brands within the communications and media, financial services, retail and CPG, travel and hospitality and healthcare industries.

As a veteran of the business process outsourcing (BPO) business, Kory has dedicated more than 27 years of his career to supporting virtually every aspect of the contact center industry. Throughout this span of time, Kory has worked to build and grow organizations that now make up some of the largest BPO brands today. Over his career, Kory has been responsible for building and supporting complex contact center solutions in more than 25 countries and generating more than \$1 billion in annual revenue.



# ABOUT THE PARTICIPANTS' BUSINESSES

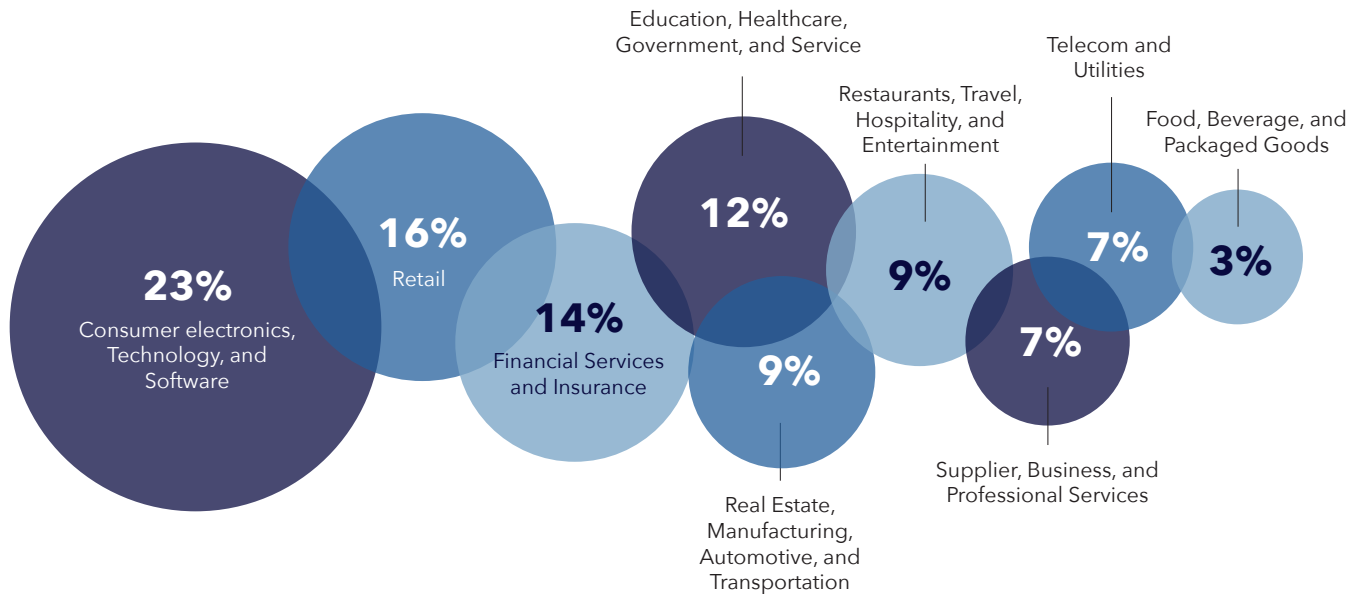
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## ABOUT THE PARTICIPANTS' BUSINESSES

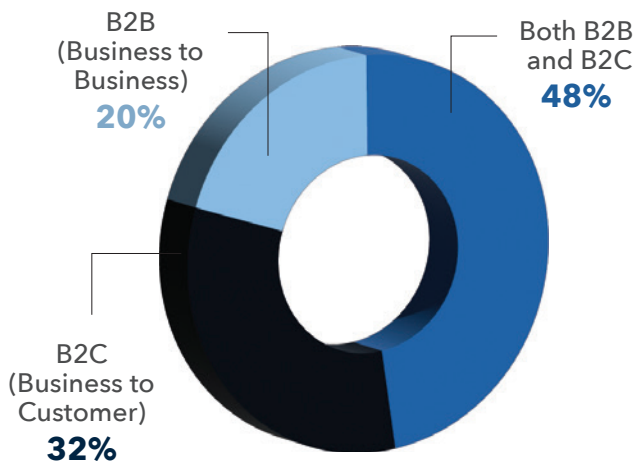
# VERTICALS AND BUSINESS TYPES

This year's pool of 117 survey participants carry a vertical profile very similar to that of years past, with most individuals falling within one of three categories: 1) Consumer Electronics, Technology, and Software (23%); 2) Retail (16%); and 3) Financial Services and Insurance (14%).

### Verticals of Survey Participants



### Business Type of Survey Participants

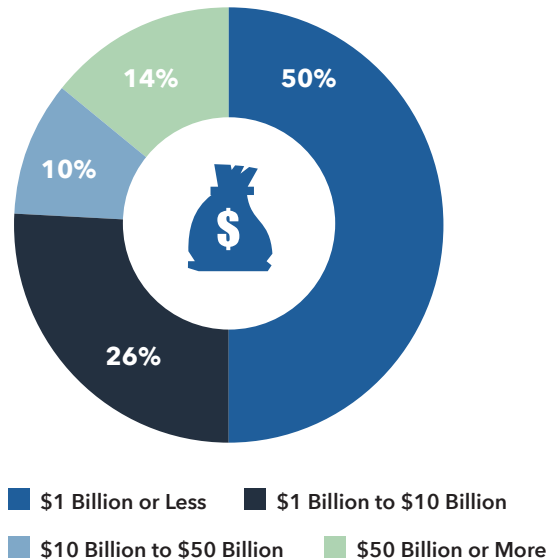


The breakdown of business types, like the above industry breakdown, were also reflective of past reports, though there was a year-over-year bump in B2C-only businesses, up seven points compared to last year's result of 25%. Businesses that operate in the B2C space typically have more complicated CX operations requiring more agents, support technology, and program support personnel. This slight shift toward larger, more complicated programs is work bearing in mind as readers digest this year's results.

## ABOUT THE PARTICIPANTS' BUSINESSES

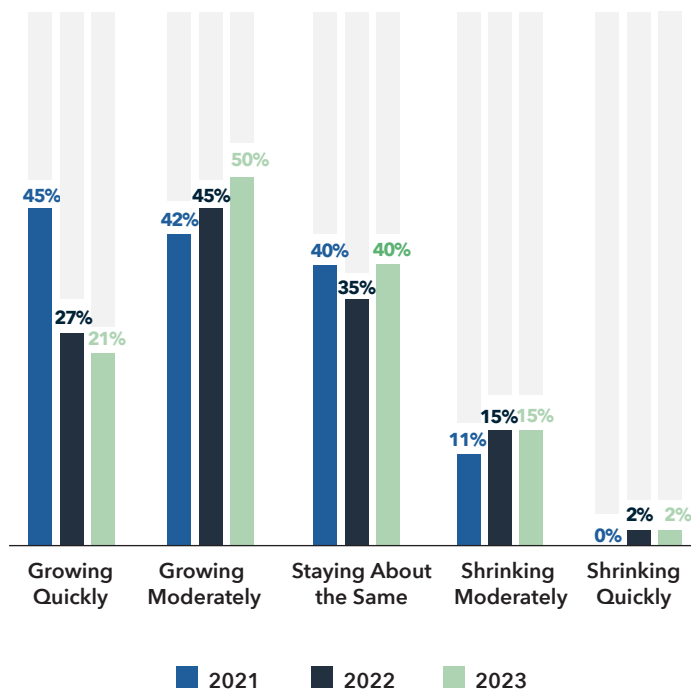
# REVENUE AND THE STATE OF THE BUSINESS

Revenues of Survey Participants



As hinted at in the business type breakdown on the previous page, the demographic for this year's survey participants skew slightly larger, and is also reflected in the revenue breakdown. This year's survey cohort contains fewer companies with revenue of \$1 billion or less (50% versus 54% last year), as well as slightly more companies with revenue of \$50 billion or more (14% versus 9%). This, again, is worth consideration as readers examine trendlines and compare this year's results with those of last year.

How would you generally describe the state of the business over the past 12 months?



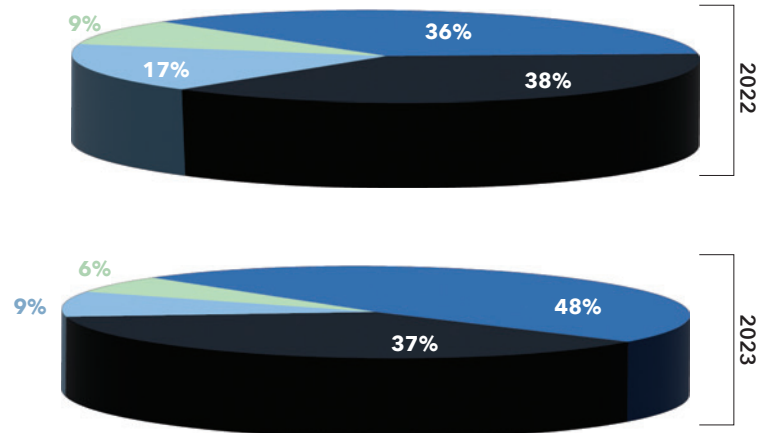
While it appears the companies of most survey participants are continuing a trajectory of growth, the energy of that growth has slowed in each of the past two years of surveying results. In this year's results, 71% of companies are indicating some level of growth compared to 72% last year, and down from 82% when compared to results from two years ago.

## ADDRESSING ECONOMIC UNCERTAINTIES

The impact of economic uncertainties has expanded year-over-year, with the latest results indicating nearly half of all survey respondents (48%) are not only discussing conditions, but are also taking significant action. This represents a 25% increase in the percentage of companies who are actively and significantly addressing the uncertain economic conditions.

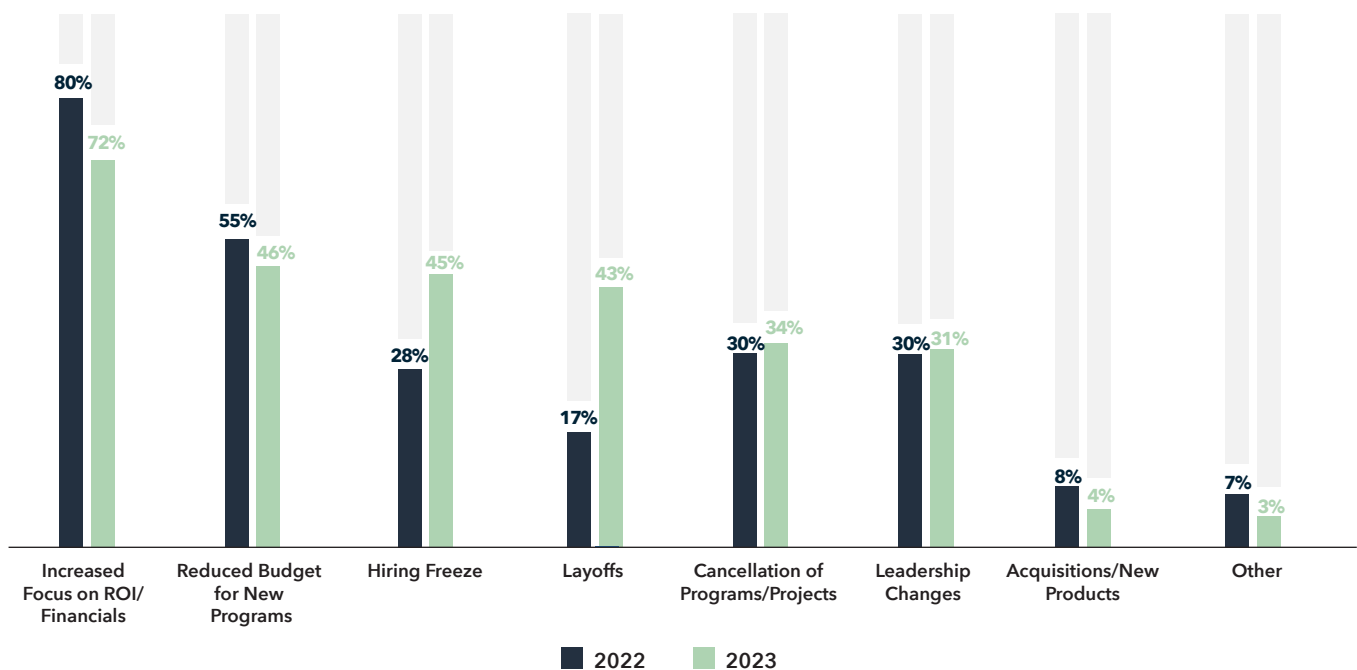
- Yes, and already taking significant action
- Yes, and already taking modest action
- Yes, but mostly in the discussion phase
- No such discussions or actions have occurred

Has your company begun discussing or acting on the uncertain economic conditions?



In exploration of the types of actions being taken to address the uncertain economic conditions, there was a significant rise in the percentage of companies that have instituted hiring freezes and/or have committed to laying off employees. Making cuts to human resources are often viewed as the least appealing option for companies looking to reinforce the business against economic headwinds. At the same time, as the lump in layoffs and hiring freezes, there was a nine-point drop in the percentage of companies reducing budgets for new programs. Taken together, these indicators seem to suggest that companies are now battering down the hatches in the expectation that economic uncertainties will only grow more severe in the coming quarters.

Which of the following actions has your organization recently taken in response to the uncertain economic conditions? (Select all that apply.)





# SURVEY RESULTS

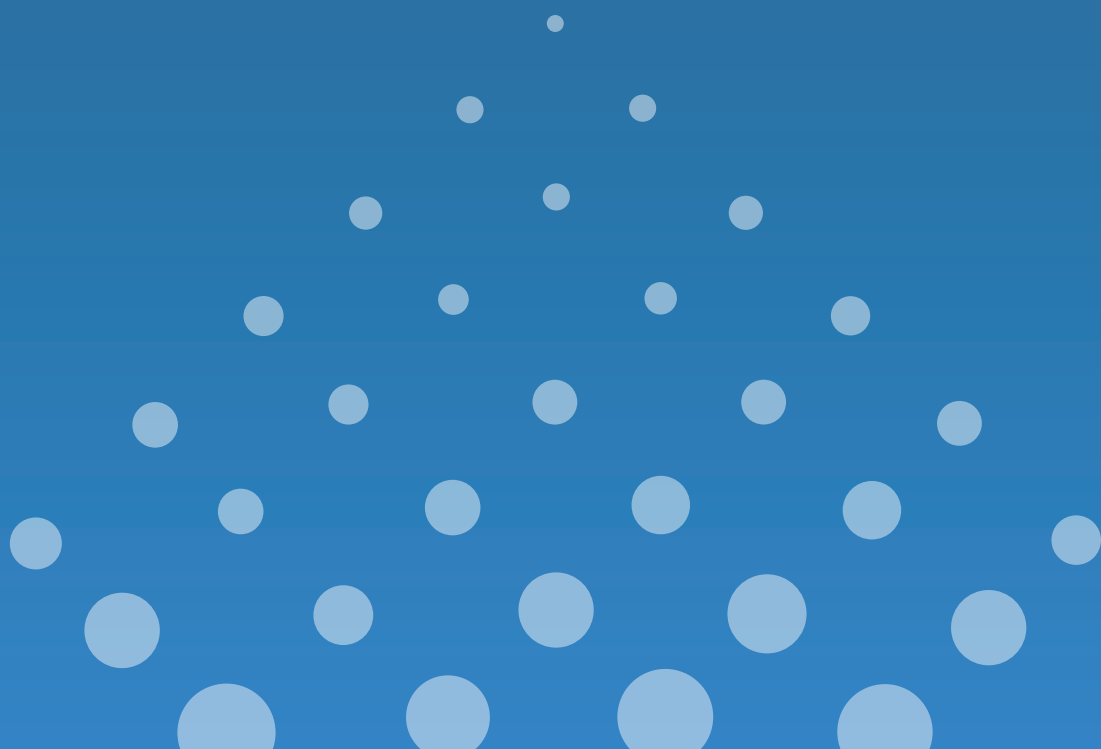
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# WORKFORCES AND **WORKPLACES**



- » Workforces
- » Workplaces





# WORKFORCES

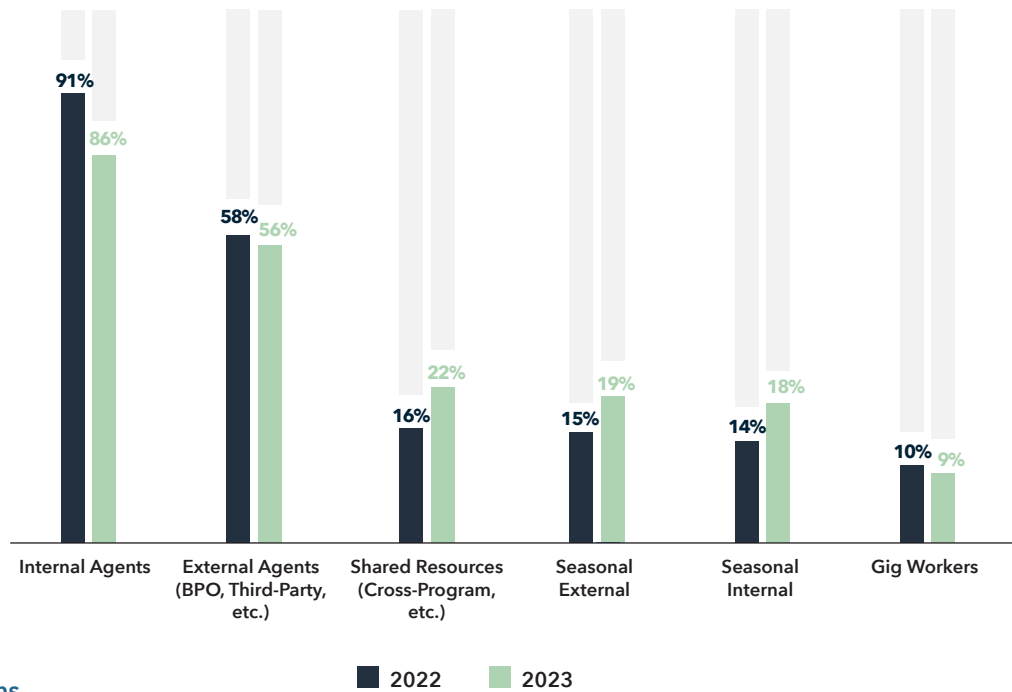
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# WORKFORCES AND WORKPLACES – WORKFORCES

## TYPE OF DEPLOYED WORKFORCE AND FTE COUNT

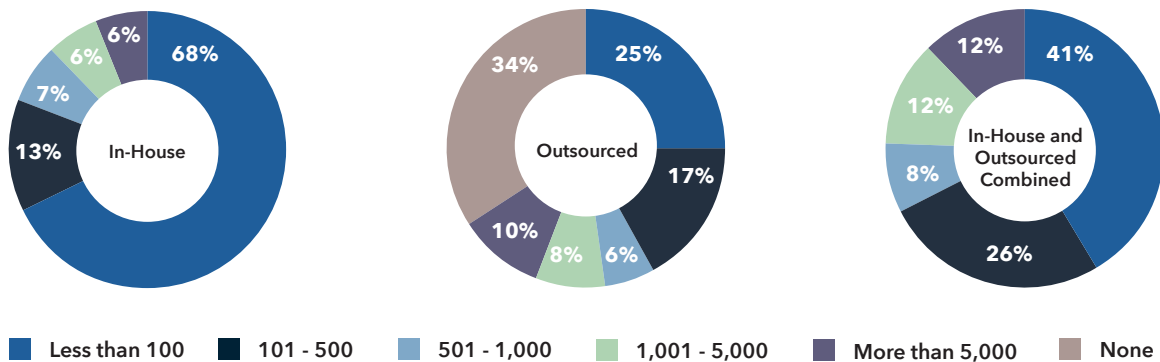
Which types of frontline workforce resources are deployed by your CX operations? (Select all that apply.)

In the second year of asking about frontline resources, “Internal Agents” remained the most common type of workforce among survey respondents with very little year-over-year change. Shared and Seasonal Resources also experienced slight bumps upward, which could be a sign that brands are trying to do more with less.



While this year’s cohort is generally the same as last year’s in terms of FTEs, there was an offsetting shift to smaller operations for In-House FTEs, and larger operations for Outsourced FTEs. Last year, 59% of In-House operations had 100 FTEs or less compared to 68% in the latest results. Conversely, only 5% of Outsourced operations had 5,000 or more FTEs last year compared to 10% in this year’s results. Most operations continue to fall into the 500 or fewer FTEs bucket, regardless of whether operations are In-House or Outsourced.

Approximately how many FTEs are a part of your contact center operations?

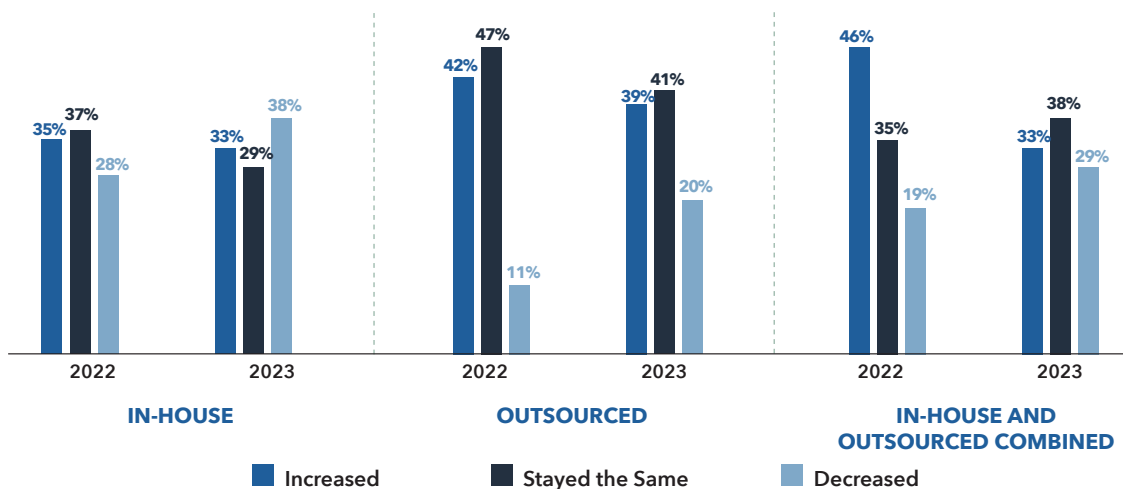


## WORKFORCES AND WORKPLACES – WORKFORCES

# HEADCOUNT CHANGES, AGENT PERFORMANCE AND ADJUSTMENTS

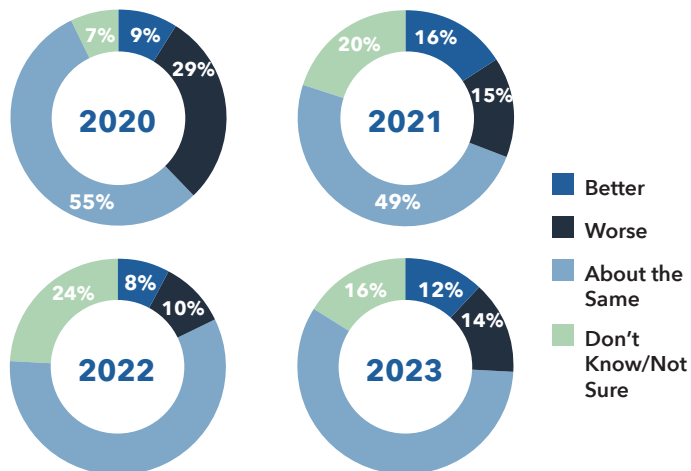
As hinted at by the dramatic year-over-year rise in Layoffs and Hiring Freezes (page 14), workforce reductions are strongly reflected in the below results, showing both significant year-over-year increases in the percentage of companies experiencing headcount decreases, as well as moderate to significant decreases in the percentage of companies experiencing headcount increases. Headcounts, including both In-House and Outsourced operations, were especially hard-hit, with a 10-point increase in the percent of companies seeing a headcount decrease, combined with a 13-point decrease in the percent of companies seeing a headcount increase. That all said, the story is generally one of expansion, just not as rapid as last year. For companies that are in a position of growth, now is shaping up to be an excellent time to get the best possible candidates while staffing up.

### How has your contact center operations headcount changed over the past 12 months?



After four years of data, it's apparent that agent performance has grown quite comparable regardless of whether an agent is trained in a WFH environment or in-center. The gap between "Better" and "Worse" has remained tight between the two groups, indicating (along with the below results) that companies have made effective changes across the board and are perhaps better at honing in on the right set of hiring requirements. Furthermore, several training technologies, like AI-powered simulated training, have come along recently, helping agents have a better onboarding experience and get up to speed faster.

### How do agents trained in a work-from-home environment perform against agents trained in-center?



### Percentage of companies that have adjusted their recruiting, hiring/onboarding, training, and/or coaching practices as a result of the shift to work-from-home.



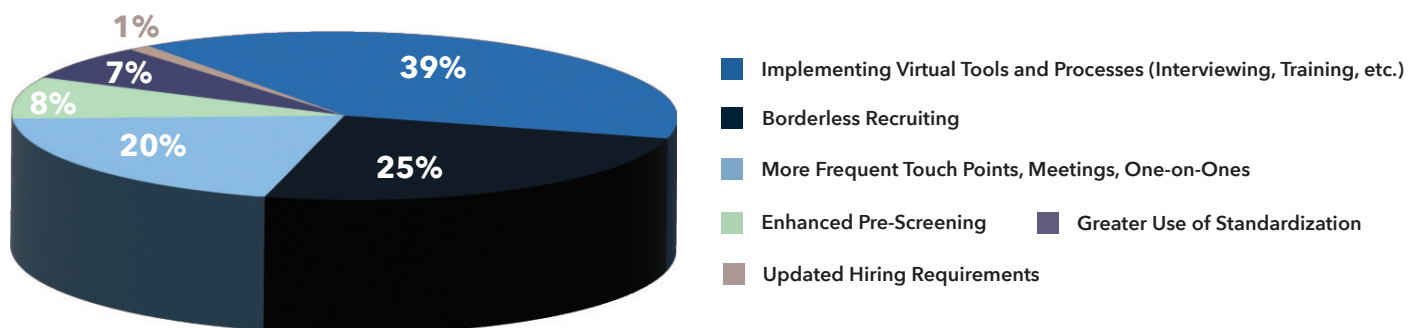
Compare Your Operations

## WORKFORCES AND WORKPLACES – WORKFORCES

# CHANGES OF IMPACT

In a question previously delivered in an open-ended format, the implementation of more and better virtual tools has been the most impactful way companies have adjusted agent-related processes. Many companies also continue to benefit from borderless recruiting, indicating that WFH is still very much alive and well. Finally, companies appear to be focusing on improved agent engagement, doing so not only in terms of touch points and meetings, but in terms of engaging to support agent wellness and higher levels of job satisfaction.

What has been the most impactful way you have changed your Recruiting, Hiring/ Onboarding, Training, and Coaching practices in response to the shift to work-from-home?



Most brands have adjusted their agent-related practices in the last few years. Which of your changes have had the most positive and lasting impact?

“

Our approach has been slightly different than the results we see in the survey. Our highest impact initiatives were automation and our growing partnership with our third party contact center. Over the past two years, we lifted and shifted transactional and repeatable tasks from our internal Tier 2 support teams to our external Tier 1 provider. At the same time, we began to leverage RPAs and other automation to continue delivering better experiences for our customers. As this work migrated to lower cost channels, we clearly saw the role of our Customer Support Associate had changed significantly. Many were hired for basic phone and data entry roles. In our evolving environment, the basics were covered elsewhere and the Tier 2 team needed more problem solving, critical thinking, and continuous improvement skills. We had analog associates working in our new digital world. We partnered with our HR team, reevaluated job descriptions, priced them appropriately, and did a full gap analysis to understand the impact to our current team. We moved forward with new job descriptions, pay scales and team/individual training plans to ensure our team members could move with us into our elevated Customer Support team of the future. This change recognized the hard work of our teams, helped us to scale the business in a cost effective manner and positioned us as we continue exploring the myriad of new technologies available to improve both our associate and customer experience.

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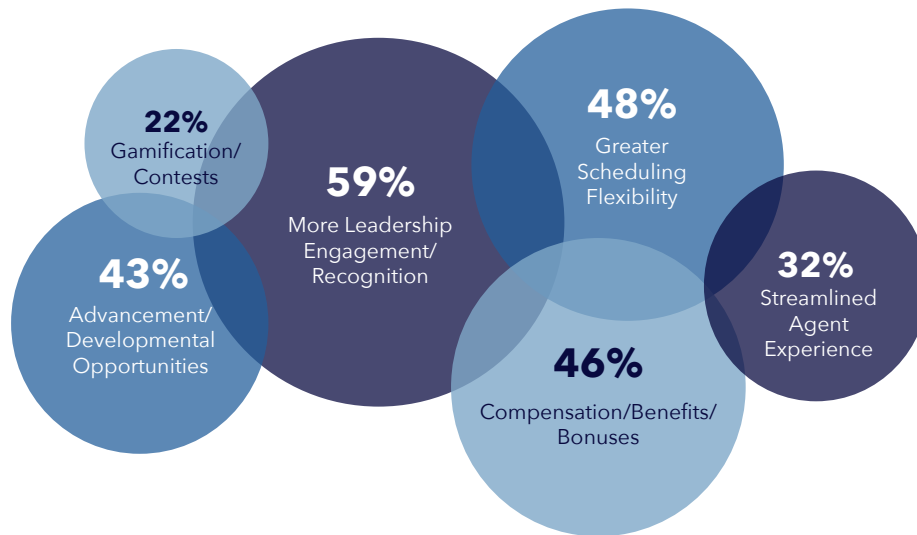


## WORKFORCES AND WORKPLACES – WORKFORCES

# WORKFORCE MOTIVATION

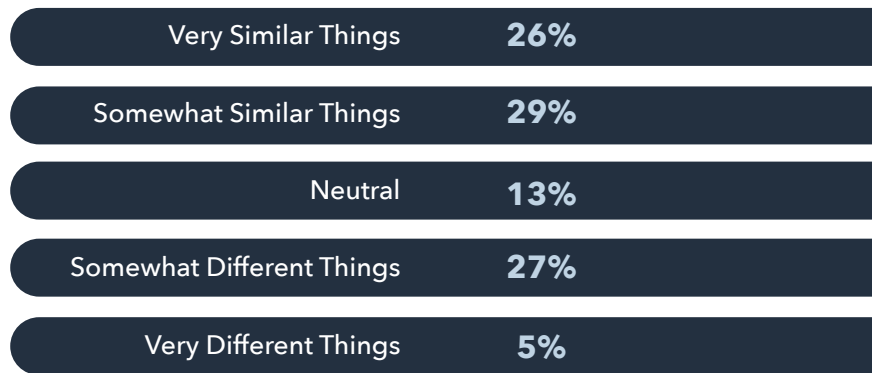
In yet another question previously presented as an open-ended question, some of the most effective workforce motivators have been greater leadership involvement and/or recognition, more schedule flexibility, better compensation, and higher potential for career advancement. Companies should consider implementing one or more of these motivators within their operations so those ideas that can be quickly implemented, building up to the most effective motivators as time goes on.

What have been some of the most effective motivators for your workforce? (Select all that apply.)



Do you find WFH, in-office, and hybrid agents to be motivated by similar or different things?

In a new question for the CX Leaders Trends & Insights series, survey respondents were asked whether work environments impact what motivates agents. Interestingly, about a third of respondents (32%) indicated that these different groups of agents are motivated by different things. Although no follow-up question was provided to drill into the difference, results on the next page suggest more regular touch points, fun activities, and collaborative opportunities all go a long way in generating motivation and engagement among WFH agents.



## WORKFORCE MOTIVATION

“  
What have been some of the most effective ways in which you’ve motivated either your WFH or in-office agents? Have you found ways to motivate both in the same way?”

As the 21st century unfolds, contact centers have become pivotal in shaping customer experience, evolving from traditional call centers to sophisticated, technology-driven communication hubs. This transformation, highlighted in the “Workforces and Workplaces” section of the 2024 CX Leaders Trends & Insights: Corporate Edition report, reflects a paradigm shift toward digital fluency, remote work flexibility, and a global talent pool. By leveraging virtual tools for recruitment, training, and engagement, contact centers are not only expanding their reach, but enhancing the quality of customer interactions.

Incorporating workforce flexibility into contact center operations significantly enhances agent retention and customer experience. Flexibility, including remote and hybrid work options, addresses key agent concerns such as work-life balance and job satisfaction, leading to lower turnover rates. Happy, engaged agents are more committed to delivering high-quality service, positively impacting customer interactions as well as the positive impact to the overall Customer Experience.

The strategic emphasis on nurturing agents’ passion for the brands they represent underpins the importance of aligning employee motivation with customer satisfaction goals. The report provides insights into the growing trend of work-from-home arrangements, signaling a shift toward more adaptable and resilient operational models. This evolution underscores the industry’s response to changing consumer expectations and the need for innovative solutions to meet these demands. In essence, the future of contact centers lies in their ability to integrate technology, people, and processes to deliver exceptional customer experiences, highlighting the critical role of human-centric and technology-enabled strategies in driving the next wave of customer service excellence.

The future of the contact center lies in embracing workforce flexibility to enable both agent retention and customer experience. By integrating virtual tools and fostering a culture that prioritizes agent well-being, Contact Centers can achieve superior levels of Customer Experience.



**Jason Mercer-Pottinger**  
Senior Director Customer Care Americas

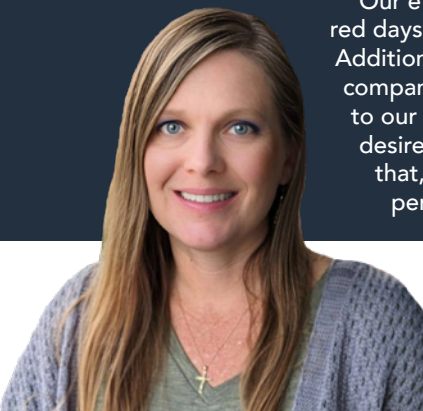
**Baxter**

“  
What have been some of the most effective ways in which you’ve motivated either your WFH or in-office agents? Have you found ways to motivate both in the same way?”

“  
In navigating the evolving dynamics of workplace environments, I’ve observed a similarity in the motivational drivers between our work from home agents and those working in-office. At its core, the essence of motivation remains consistent across both realms — everyone strongly desires a sense of connection and recognition. To bridge the geographical divide, we introduced a “virtual watercooler” chat, allowing both remote and on-site agents to mingle and share on a personal level, reproducing the camaraderie traditionally reserved for physical office spaces.

Recognizing the unique challenges remote agents face in missing out on physical interactions, we established 30-minute virtual coffee breaks, fostering an environment where on-site and home-based agents can enjoy scheduled downtime together, albeit virtually. Further cementing this sense of community, we launched a peer-to-peer recognition program enabling all team members to celebrate acts of kindness and exceptional service across the board.

Our efforts to unify the team extend to themed “First Friday” events, such as crazy hair or wear red days, where both on-site and remote agents connect through a shared sense of spirit and identity. Additionally, the “Azure Insights” virtual chat group serves as a digital forum where we disseminate key company updates and milestones, ensuring everyone, regardless of their work setting, feels connected to our larger organizational narrative. These initiatives underscore our belief that the fundamental desires for connection and acknowledgment transcend the physicality of one’s workspace, affirming that, irrespective of location, our agents are motivated by a universal desire for professional and personal bonds with their peers and leaders.



**AZURE**  
Standard of Healthy & Abundant Living

**Karen Slusher**  
Chief Experience Officer

With so many companies still heavily committed to WFH, survey participants were asked an open-ended question about the ways in which they encourage employee engagement among their out-of-office staff. Not surprisingly, a big chunk of the responses received were centered around in-office time, in-person meetups, and investments in connectivity and communication solutions. Several CX leaders also talked about providing WFH employees with company funds to purchase equipment to make their WFH environment as comfortable and conducive to success as possible.

Below are a handful of verbatim from the responses received:



**WHAT ARE SOME OF THE WAYS YOUR ORGANIZATION HELPS ENCOURAGE AND/OR MAINTAIN EMPLOYEE ENGAGEMENT FOR WORK-AT-HOME STAFF?**

"We have scheduled collaboration days at our locations one day per week where we hold social events and encouragement workshops, as well as team meetings."

"Virtual contests, video meetings and meetups"

"Volunteering in the community is a big part of our organization and these events provide opportunities for team members to re-engage with coworkers."

"Utilizing a hybrid approach where all employees are in-office 3 days per week. Scheduling most meetings during in-office days to encourage in-person collaboration."

"We've made serious investments in data systems and technology that enables workforce efficiency, regardless of location. We even provided for employees to purchase equipment and expense it to offer comfortable WFH environments."

"Leadership and management that actually listens to employees and customers and knows how to actually architect/design an environment designed to succeed."





## WORKFORCES AND WORKPLACES – WORKFORCES

# PASSIONATE AGENTS

Certainly, engaged agents are better suited to help customers. But what about agents who are passionate about the brands they represent? According to both CX leaders and, to a lesser extent, consumers, passionate agents are important. So perhaps brands should be asking themselves what they are doing to draw agents closer to the brand, including products/services and culture. To find out how these corporate opinions directly compare with those of consumers, check out the Consumer Comparison section on page 89.

In your opinion, how do you think YOUR CUSTOMERS feel about the following statement: It is important for customer care agents to be very passionate about the brands they represent.

	2022	2023
 Strongly Agree	47%	58%
Somewhat Agree	42%	30%
Neutral	11%	9%
Somewhat Disagree	0%	3%
 Strongly Disagree	0%	0%

**CX leaders are correct in believing their customers value agent passion for the brands they represent. How do you build passion for the brand among your agents?**

Upon joining Roku, I immediately noticed a critical issue: the insufficient investment in agent brand awareness. Our contact centers were in the Philippines, India, and Costa Rica. None of those markets had Roku products or a local channel store. Not surprisingly, our agents were unaware of the central role Roku had played in the evolution of TV streaming. This resulted in underwhelming agent engagement and enthusiasm.

We prioritized building a training program that highlighted the unique nature of the Roku platform. The goal was to create technical evangelists of our products and services and increase Agent Satisfaction. As a part of the plan, we gave Roku streaming sticks to all team members who joined our program in addition to creating a “watch space” in each site for agents to be able to experience the platform just as the customers they were helping did. Within a quarter, our Agent Satisfaction scores had improved by 30% and attrition dropped significantly with each of our partners.

Since that time, we have invested in a Learning Management System (LMS) where we enabled our agents to consume weekly self-guided training focused on the nuances of Roku’s continuously evolving operating system and payment platform. Prioritizing the agent experience, particularly fostering brand enthusiasm, has led to significantly improved customer outcomes. By turning agents into brand champions, we’ve created a more motivated and effective team, ultimately enhancing the customer experience.

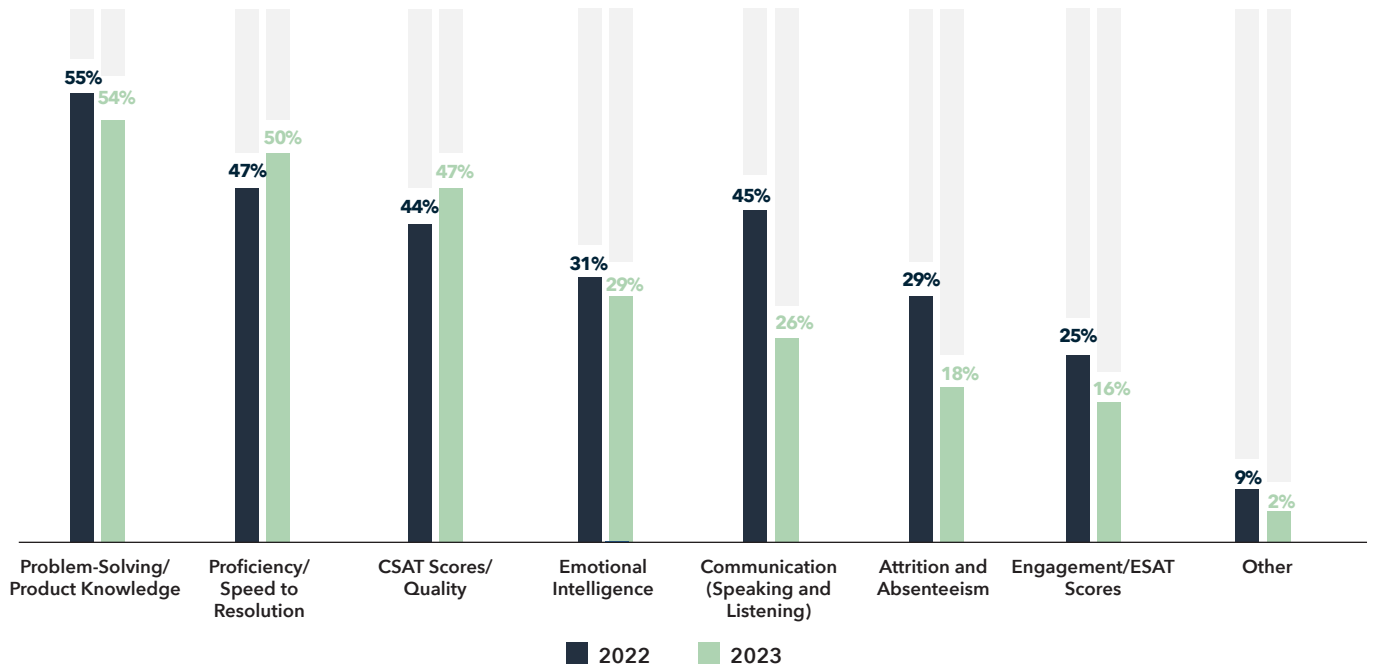


## WORKFORCES AND WORKPLACES – WORKFORCES

# IMPROVING AGENT PERFORMANCE

There was very little change year-over-year when survey respondents were asked to indicate which areas of agent improvement would be the focus of improvement over the next 12 months, with two areas (Problem Solving/Product Knowledge and Proficiency/Speed to Resolution) maintaining their place at the top. CSAT Score/Quality displaced Communication, rounding out the top three, while Emotional Intelligence maintained its fourth place ranking.

**In which area are you most interested in improving agent performance over the next 12 months? (Please select no more than three.)**



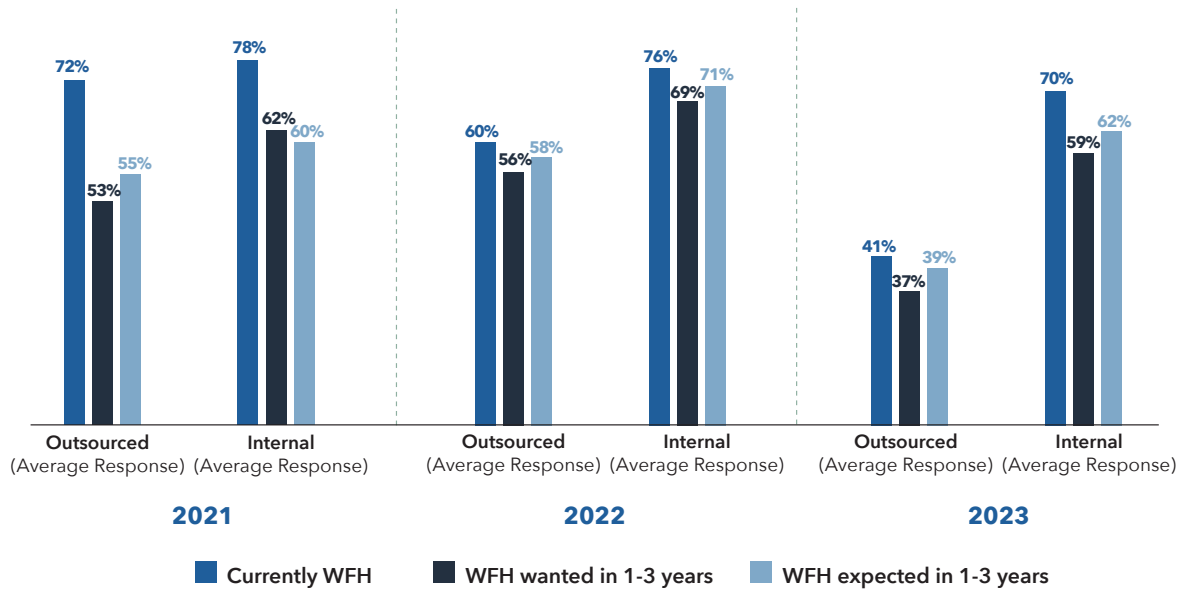
# WORKPLACES





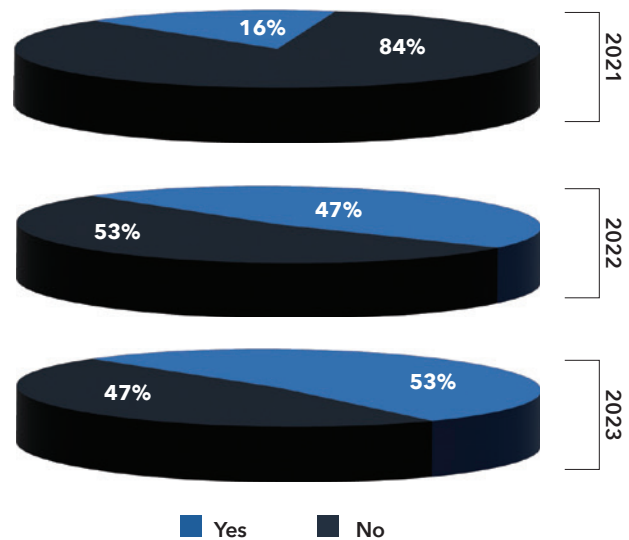
For the second year in a row, WFH actuals trended downward, especially as it applies to Outsourced agents. Last year, 60% was the averaged response when CX leaders were asked what percentage of outsourced agents were WFH. That average fell to 41% in this year’s results. If accurate, brands and outsourcers should be asking themselves what impact this shift is having on prime inflection points like agent performance, job satisfaction, program efficiencies, and end user experience.

What percentage of your outsourced/internal workforce is currently WFH, and what percentage do you want/expect to have WFH in 1-3 years?



Have you physically visited any of your Outsourcing partner(s) or prospective Outsourcing partner sites in the last 6-12 months?

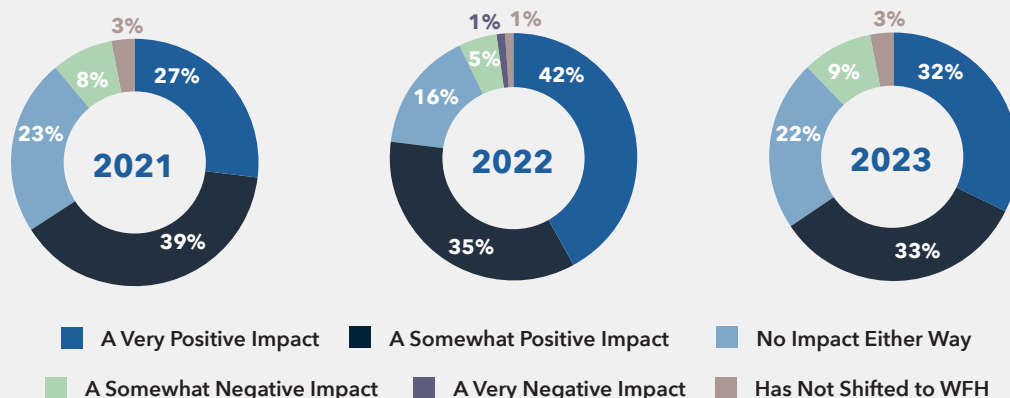
As might be expected, site visits continue to be more commonplace as the world moves further away from the restrictions imposed by the COVID-19 pandemic that struck the world in March of 2020. While these results become further disconnected from the impact of the pandemic, they may bring into focus insights about economic conditions and disruption in the BPO and outsourcing space. Based on results on page 19, Outsourced headcounts are growing overall, but it’s unclear whether this expansion is occurring within existing programs or entirely new program launches, with new program launches more likely to precipitate a physical site visit.



## LONG-TERM IMPACT OF WFH

CX leaders continue to view the world’s shift to WFH in a mostly positive light. This seems to stand in contradiction to the slow move back into the office, as noted on the previous page. Could it be that CX leaders presume any positive impacts can be maintained even with a return to the office? And if so, brands might want to ask themselves if pursuing a hybrid approach might make the most sense, as it would afford program managers the opportunity to maximize the best of each respective workplace environment.

Generally speaking, what long-term impact has your organization’s shift to work-from-home (WFH) had on your ability to meet the needs and expectations of your customers?



As clearly illustrated above, the pool of positive responses to the question below largely outweighed the negative. And within the pool of positive responses, much was made of easier recruitment, higher morale, less absenteeism and attrition, and greater all-around flexibility. But this often came at the expense of company culture, security, and a more challenging recruitment environment for those programs running a strictly in-office operation.

Below are a handful of verbatim from the responses received:

**BRIEFLY DESCRIBE WHY THE WORK-FROM-HOME IMPACT HAS BEEN EITHER POSITIVE OR NEGATIVE, AS INDICATED IN THE PREVIOUS QUESTION.**

**VERBATIM - POSITIVE**

“As it relates to call center associates, less absenteeism, less attrition, productivity same.”

“Easier to recruit and retain staff and the team enjoys it; however, it makes team and relationship building more difficult.”

“From a contact center perspective, we no longer rely on a local hiring pool. I went from 10-20 resumes per open position to 500+.”

“WFH comes with a more positive work-life balance for employees.”

“It allows for a more robust BCP plan as all of our agents are now able to WFH, nearshore and onshore.”

**VERBATIM - NEGATIVE**

“Lack of overall structure to hybrid creates challenges. We struggle with some departments following the guidelines to be in the office certain days.”

“Greater risk of fraud and breakdowns in data security.”

“WFH has had a negative impact on the culture of the company.”

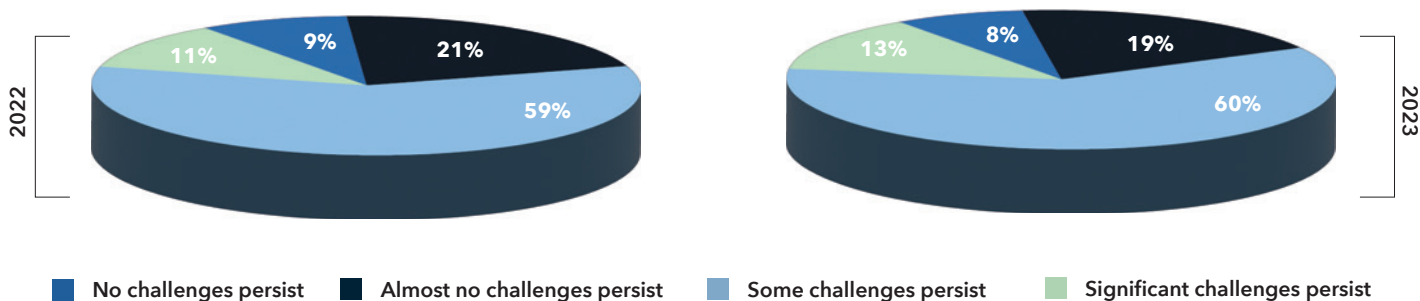
“We are finding WFH leads to a decrease in overall productivity.”

“It is getting more difficult to find agents willing to work in-office. While WFH works well technically, it is more difficult to keep the WFH agent engaged with the brand, particularly when relying on BPO vendors.”

## WORKFORCES AND WORKPLACES – WORKPLACES

# THE ONGOING IMPACT OF DISRUPTIONS

How would you describe the ongoing impact of the operational, workforce, and workplace disruptions that have occurred over the past 2-3 years?



While the shift to WFH is viewed quite positively, the overall impact of the COVID-19 pandemic has continued to pose ongoing challenges at no insignificant number of organizations. Hiring continues to be a challenge not fully addressed by the increased freedom of recruiting across geographies. Adequate staffing is further pressured by an increase in workforce reductions with several CX leaders providing responses that hint that leadership is positioning programs to do more with less. And, as with the challenges posed by WFH, companies are experiencing a weakening of culture and connectedness with less engagement and willingness among employees to appear in-person when called upon to do so.



### BRIEFLY DESCRIBE SOME OF THE PERSISTING CHALLENGES YOUR INTERNAL CX OPERATIONS HAVE BEEN EXPERIENCING OVER THE PAST 12-18 MONTHS, AND HOW YOU PLAN ON ADDRESSING THEM.

"Hiring has been a struggle; also, there is now an expectation of flexibility in all aspects of the job that are still not feasible for certain departments."

"There is a general loss in decorum that we have noticed with people's social interactions in person. Not sure how to address yet."

"We are still struggling with pandemic-related adaptation, global workplaces, and talent shortages locally."

"We have a lot of office space that isn't really needed and is costing the company."

"We are seeing a resistance to returning to office, greater competition for talent, and uncertainties from AI disruptions."

"There is significant pressure to perform because we are growing modestly, but with less workers due to layoffs."



# CONCLUSIONS: WORKFORCES AND WORKPLACES

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## Key Findings:

- » CX organization head count growth has slowed year-over-year, with more organizations reporting a decrease in head counts, and fewer organizations reporting an increase in head counts (page 19)
- » More “Leadership Engagement/Recognition” is thought to be the top motivator for CX agents, with 59% of CX leaders naming it as one of the most effective (page 21)
- » The average percentage of outsourced agents working from home has fallen to 41%, down from 60% year-over-year (page 27)
- » Sixty-five percent of CX leaders feel there has been a “Very Positive” or “Somewhat Positive” impact on the customer experience due to their organization’s shift to work-from-home (page 28)

It is clear to both industry observers, as well as those at the helm, that business reactions to economic conditions are beginning to hold significant sway over the departments of many organizations. Undoubtedly, this is having an outsized impact on customer care and CX, with an increase in reported layoffs and hiring freezes (page 14). While there is still overall growth in head counts across CX organizations (especially outsourced and blended), the strength of that growth has retreated year-over-year. Furthermore, the number of organizations seeing a drawdown in head counts is on the rise, and in-house resources could soon face the reality of a net reduction in head count if conditions don’t improve soon.

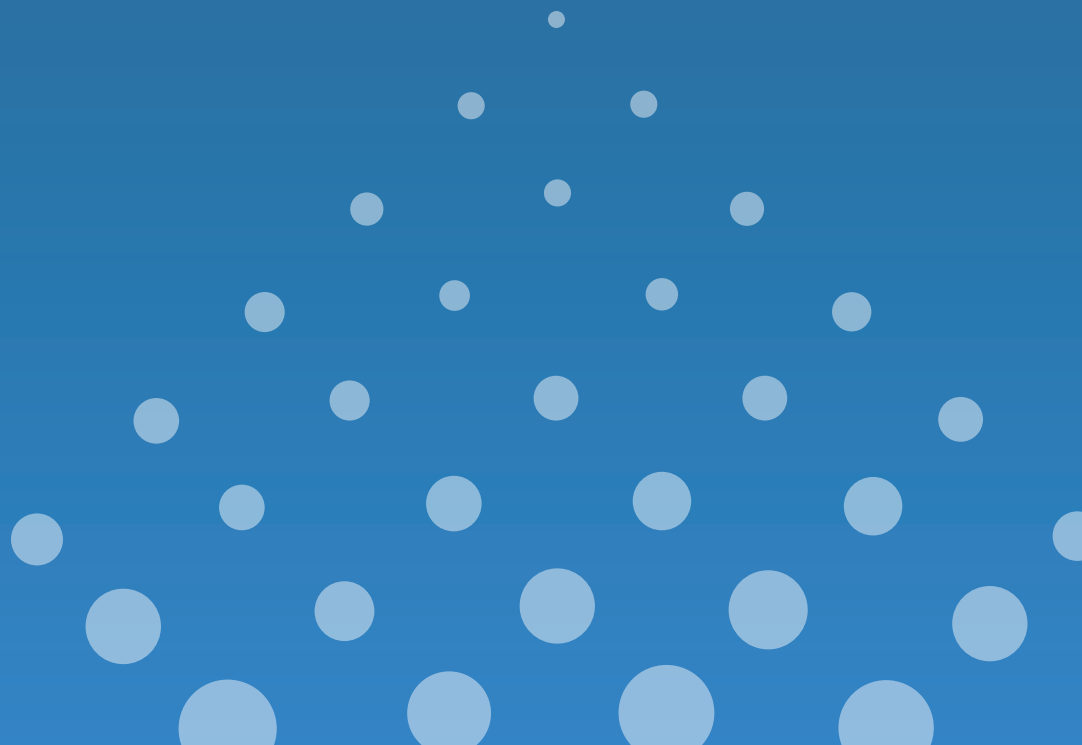
As companies set their sights on doing more with less, program managers should consider how to best engage remaining employees. Brands should reflect on what motivates and inspires their agents, be they in-office, at home, or in a hybrid work environment. Results from this report suggest more leadership engagement and recognition as a top motivator, but every organization and group of workers will react to incentives differently. This is one reason why organizations should invest in monitoring things like employee satisfaction and engagement, as well as metrics that reflect these things, like absenteeism and attrition.

While the economic conditions may give CX leaders pause, the story coming out of the contact center remains a positive one. Many organizations are still basking in the afterglow of the industry’s strong shift to WFH, with most leaders continuing to view this change as a net positive for the experiences of their customers. Program leaders should consider focusing on the specifics of these positive outcomes to build, enhance, and expand upon these gains.

# TOUCH POINTS



- » Channels
- » Measurements and Performance
- » Preferences and Initiatives



# CHANNELS

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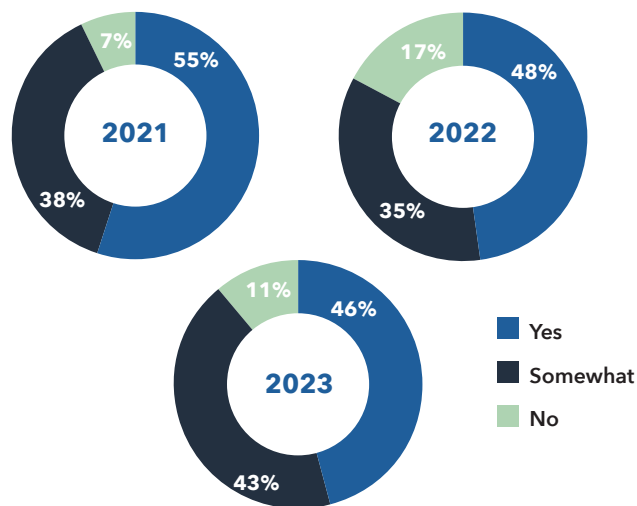


## TOUCH POINTS – CHANNELS

# UNDERSTANDING PREFERENCES AND SOLUTIONS OFFERED

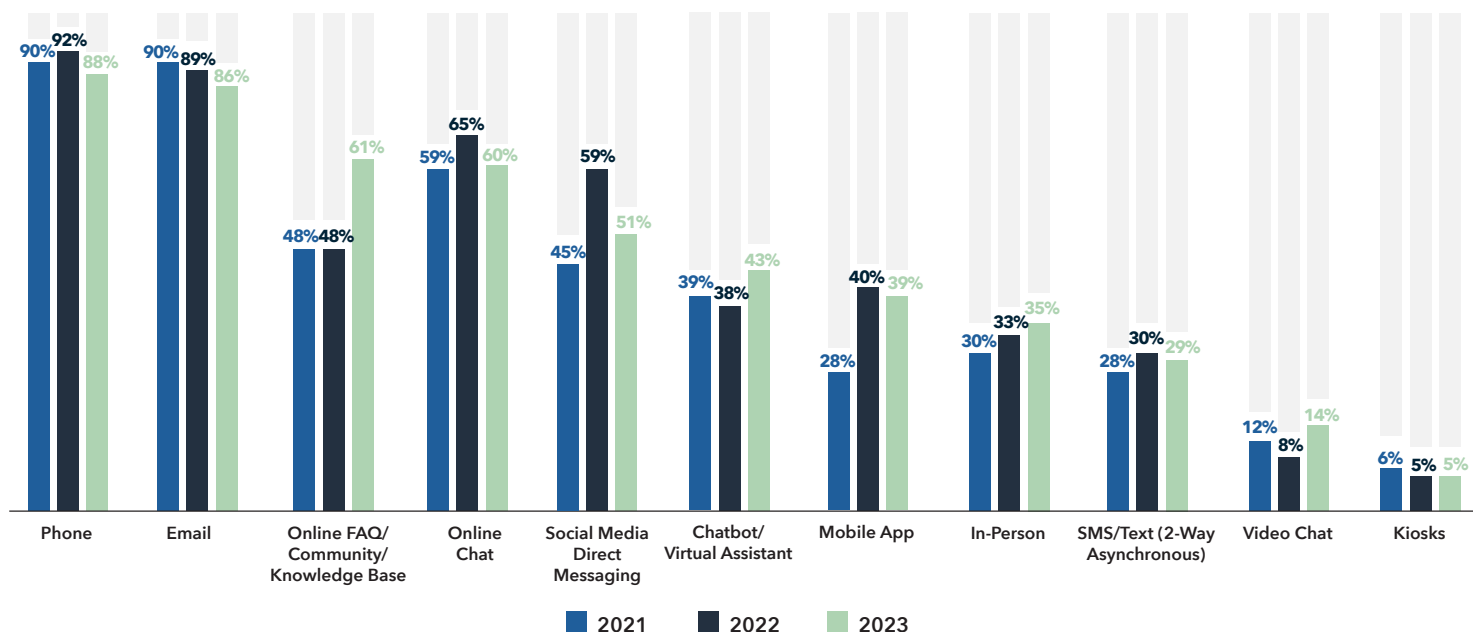
For the second year in a row, there was less certainty among CX leaders about whether their companies have a good understanding of which channels their customers prefer to use. This might not be surprising, considering the influx of AI-powered solutions, as well as the continued resiliency of traditional channels like email and phone. But not all customers and demographics are the same, and brands should consider understanding the channel preferences of their specific customer set, perhaps even on a demographical level, as consumer research shows significant differences in preferences, particularly across different age groups.

Do you believe your company has a good understanding of which channels your customers prefer to use?



As illustrated below, Phone and Email are mainstays when it comes to service solution offerings, indicated as an offering by 88% and 86% of respondents, respectively. Compared to the previous two years of data, Online FAQ/Community/Knowledge Base experienced a breakout, overcoming Online Chat and Social Media/Direct Messaging as the third most offered service solution. Lastly, in checking in with the rapidly evolving, AI-powered solution space, 43% of survey respondents were deploying Chatbot/Virtual Assistant solutions by the end of 2023, a moderate five-point increase year-over-year.

Which of the following care solutions do you offer to your customers?  
(Select all that apply.)

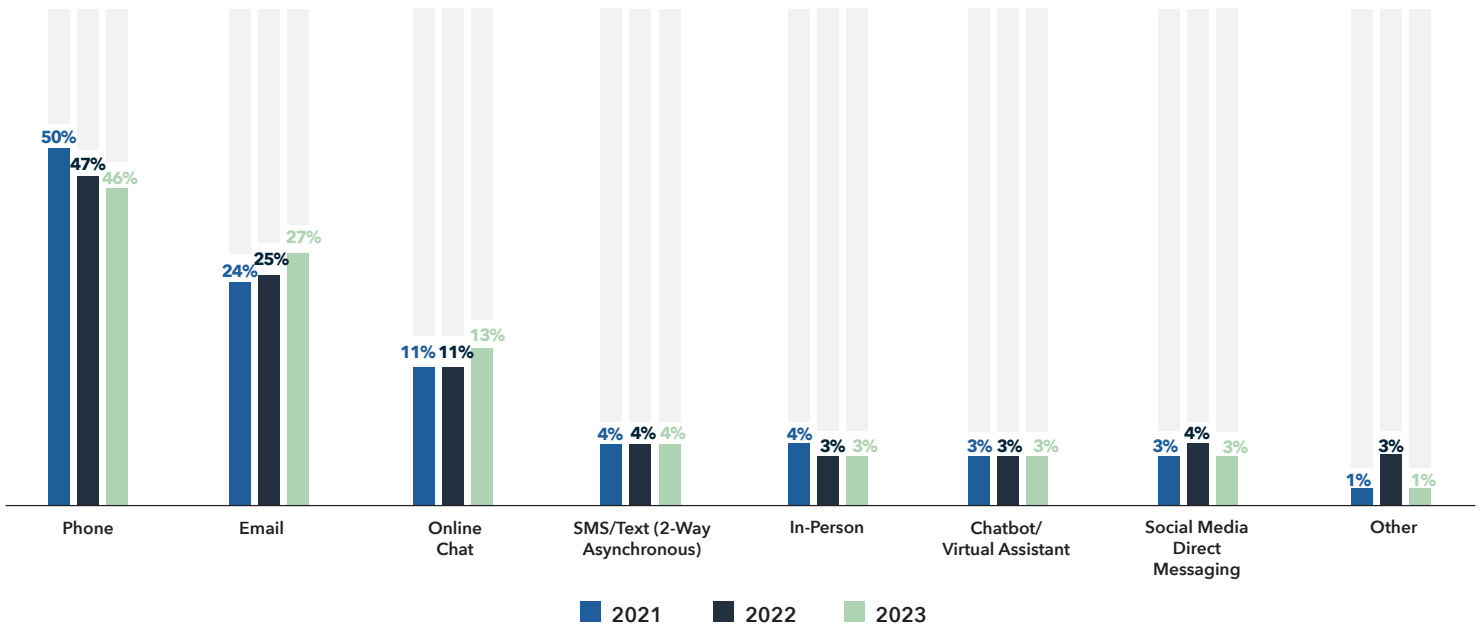


## TOUCH POINTS – CHANNELS

# PROGRAM VOLUMES

As could be expected based on the results from the previous page, Phone and Email still comprise most of the volume pouring through the contact centers of survey respondents. Bearing in mind this is an average of all responses received, it appears that roughly half of all volume (46%) is phone, with email chipping in with roughly a quarter (27%) of total volume. Year-over-year, only Email and Online Chat experienced gains, although those gains were minuscule.

Please indicate what percentage each of the following solutions contributes to your program's Overall Contact Volume.





Email continues to be a sticky channel even though many business are trying to reduce volume and/or phase out email. How is Email positioned at your organization, and what comes next?

“

We view the email channel as presenting the biggest challenge to both our customers and our organization. Our organization recognized the need to move customer focus away from the email channel and into channels that provided significantly more upside for both our customers and the organization. Here's why. Billions of spam and phishing emails are flooding inboxes every day (and the numbers continue to grow). So, we start with a cloud of uncertainty, add in the high volume of emails consumers get every day, then blend that with the multiple email addresses our customers are juggling. It's a highly inefficient starting point for our customers. Internally, despite a better than average SLA, we noticed a casual nature built into the response expectation that wasn't adding value to our customers. Contributing to this mindset is a seemingly endless chain of CCs and FWDs of organizational emails that can have a numbing effect on agents. We noticed what many organizations see, email CSAT scores consistently below that of chat and phone channels. We then began strategically positioning AI-infused chat on pages where our customer might have questions and began to reduce areas that offered our email channel. This change pushed our chat channel from absorbing 20% of our inbound traffic to handling almost 45% of inbound volume. We now see a healthier cost structure, higher CSAT scores and improved one-touch ticket rates. Moving forward, we see a combination of smartly structured AI self-service, an increased chat presence and SMS as one of the primary contact channels as being prominent tools for our customers.

”



**Chris Smith**  
Director of Customer Service



Email continues to be a sticky channel even though many businesses are trying to reduce volume and/or phase out email. How is Email positioned at your organization, and what comes next?

“

Our customers shifted to a heavier reliance on email during the pandemic and have not looked back. The shift resulted in a 400% increase in volume, and we were struggling to meet customer expectations. This was due to how we staffed and how we executed the channel in the pre-pandemic times. We could respond quickly to any request (usually within an hour). Those customer expectations persisted, and we were struggling to read and respond to each request with the same speed. We are not walking away from email, as it is still a preferred channel for our customers. We have been on a journey to offer the best solutions to our current challenges. Our intent during this journey has been to ensure we offer the right balance of employee experience and customer experience. We launched a new CRM which has helped condense duplicate email requests as well as help with prioritization of email requests. We are also on the cusp of introducing a new channel offering to help alleviate the email workload through deflection and guidance. We feel these options will offer value to our customers as well as our customer-facing employees.

”

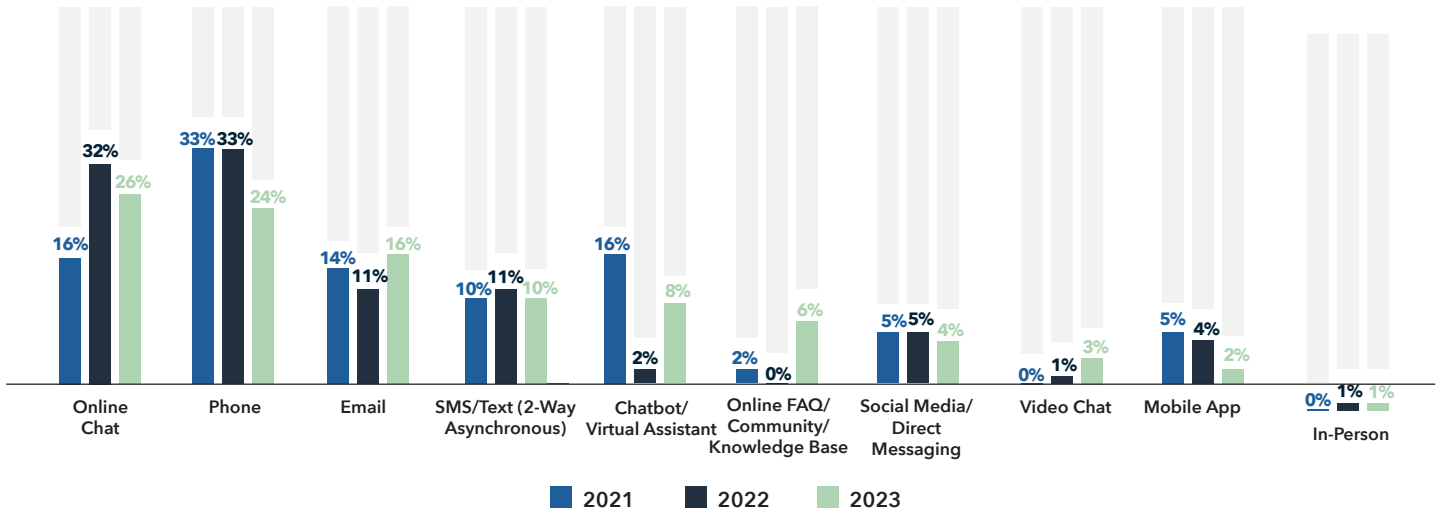


**Rich Wilder**  
Director, Customer Experience

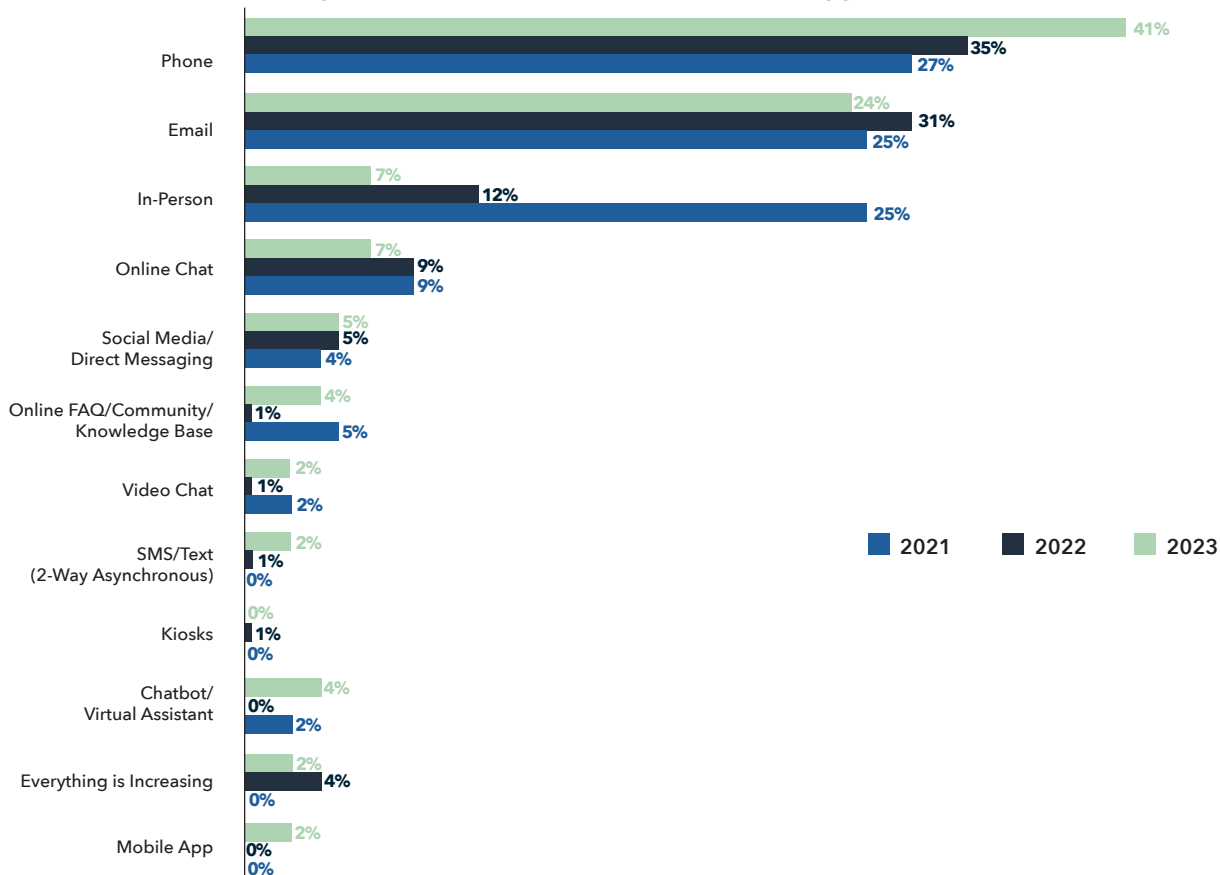
## VOLUME INCREASES AND DECLINES

In examining solution volumes by their increases and decreases, it's clear that the same two channels that dominate overall volume (page 34) are also top in both solution increases and decreases, with decreases slightly overshadowing increases, especially among Phone. That is not to say that these channels are declining, let alone rapidly declining. It just means that more companies are seeing bigger decreases in some areas compared to other solutions. Conversely, Online Chat volume growth looks to be outstripping declines, with 26% of respondents seeing more growth in Online Chat volume versus only 7% who see Online Chat as a channel with the steepest decline in overall volume.

Which of the following customer care solutions has seen the biggest increase in volume in the past 12 months?

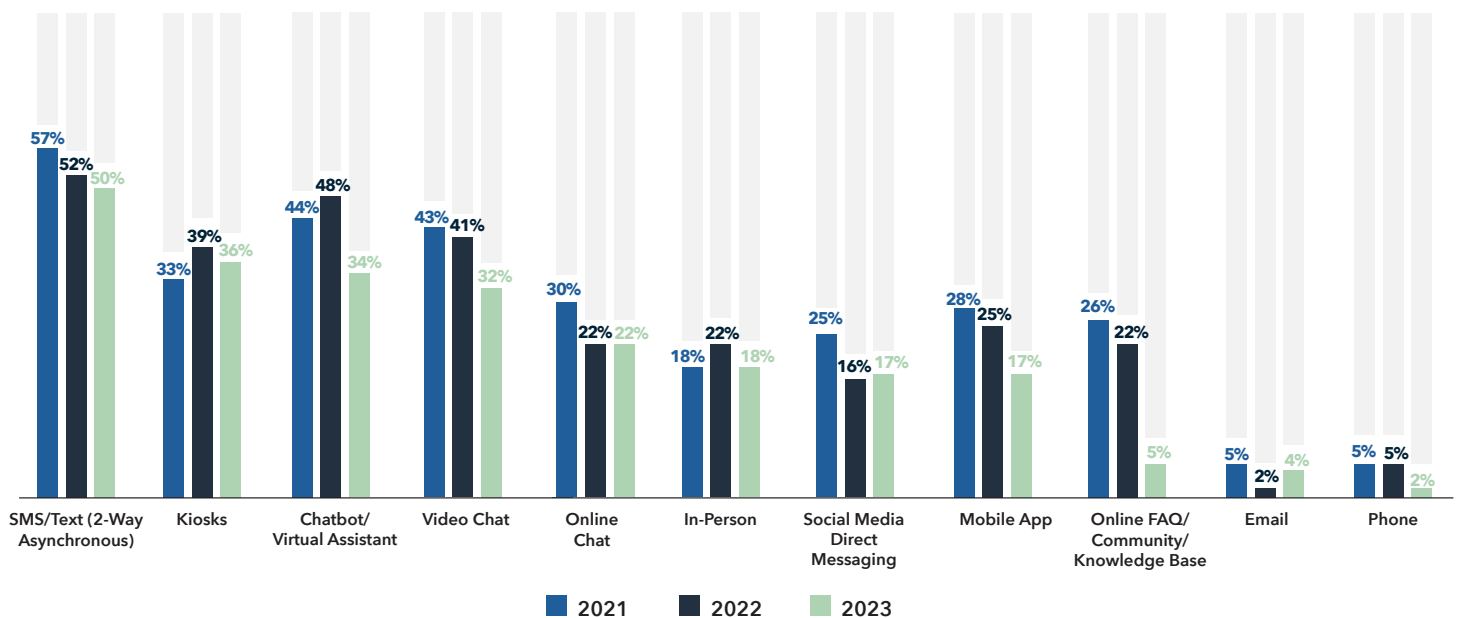


Which of the following customer care solutions has seen the biggest decrease in volume in the past 12 months?



As has been the case the last three years, SMS/Text continues to lead the pack when it comes to solutions not currently offered but part of the short- to near-term plan. This year, exactly half of all survey respondents indicated that they were planning on introducing SMS/Text, with only 29% of respondent companies currently offering SMS/Text to customers (page 33). Kiosks, Chatbots, and Video Chat also continue to be very popular options for future implementation among survey respondents.

Which of the following solutions are not currently offered by your organization, but are a part of your short-to-near-term plans? (Please select all that apply.)



# MEASUREMENTS AND **PERFORMANCE**

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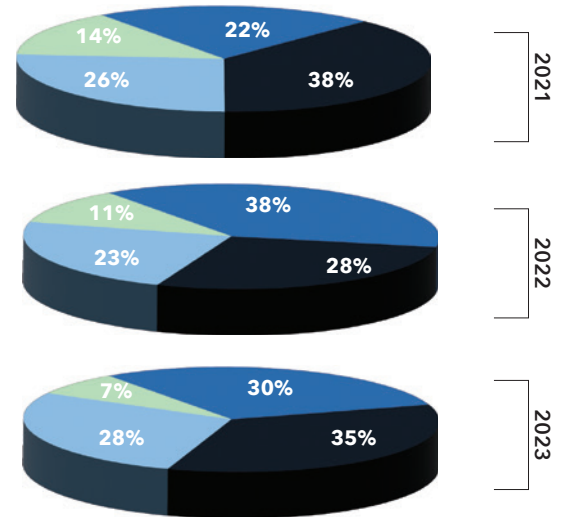
# TOUCH POINTS – MEASUREMENTS AND PERFORMANCE

## METHODS OF MEASUREMENT AND METRICS BY SOLUTION

How would you describe how you are measuring the customer experience?

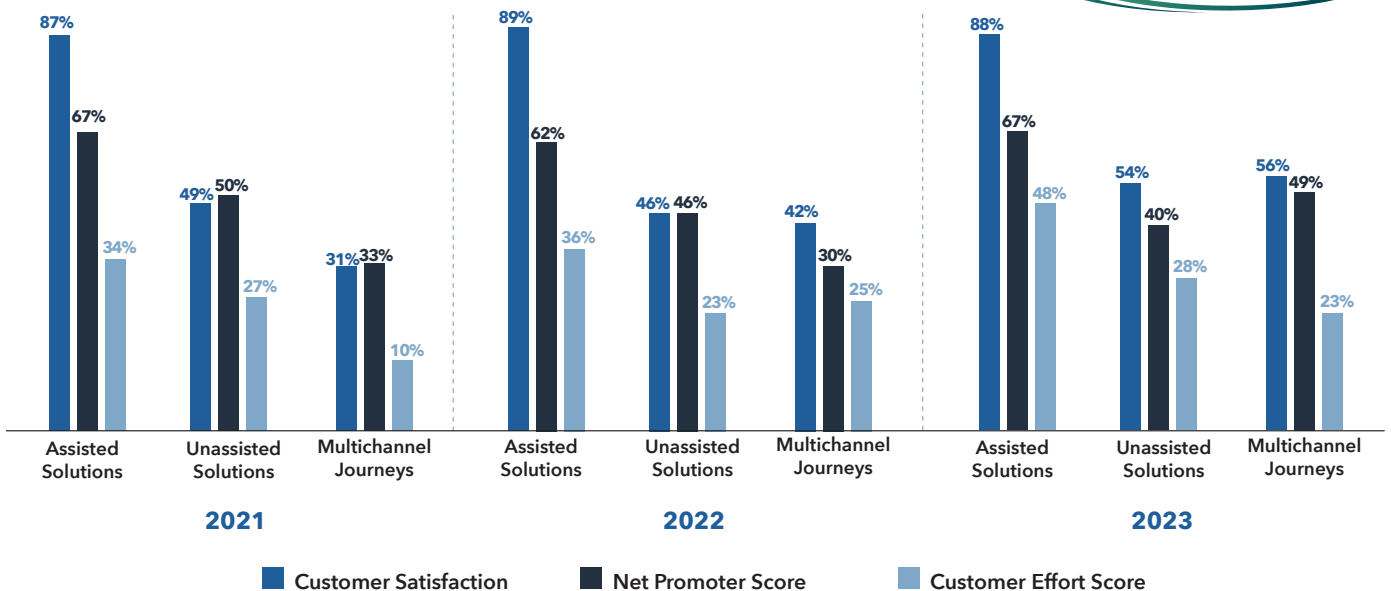
In this year's pool of responses, only 30% of companies were indicated as measuring CX across all channels. Measuring CX in this way is not only an effective way to gauge performance, it is a steppingstone to establishing a true omnichannel experience. Channel transitions and channel consistency are both big parts of the overall experience. Measurements that span across channels can help reveal gaps that negatively impact that experience.

- Measuring the entire customer experience across all channels
- Measuring the experience across some channels
- Measuring the experience in some channels independently
- Measuring the experience in a single channel



The types of metrics being measured across different solution types has remained relatively consistent, with only two exceptions. The first is Customer Effort Score, which has seen a year-over-year surge in its application to Assisted Solutions, moving from 36% last year to 48% in most recent surveying. The other is the use of Net Promoter Score across multiple channels, in use by about 30% of respondents last year, moving up to 49% in the latest results.

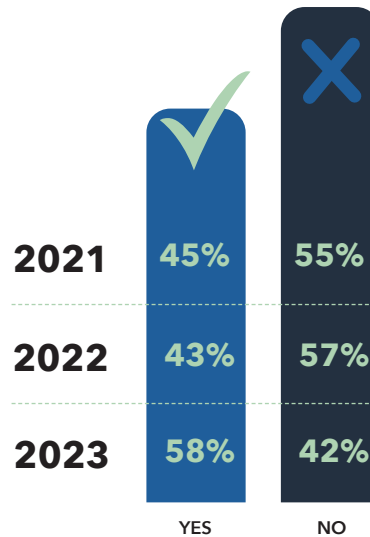
Which metric(s) do you use to measure the customer experience by solution type? (Check all that apply.)



# MEASURING ABANDONMENT AND TOUCH POINT SUCCESS

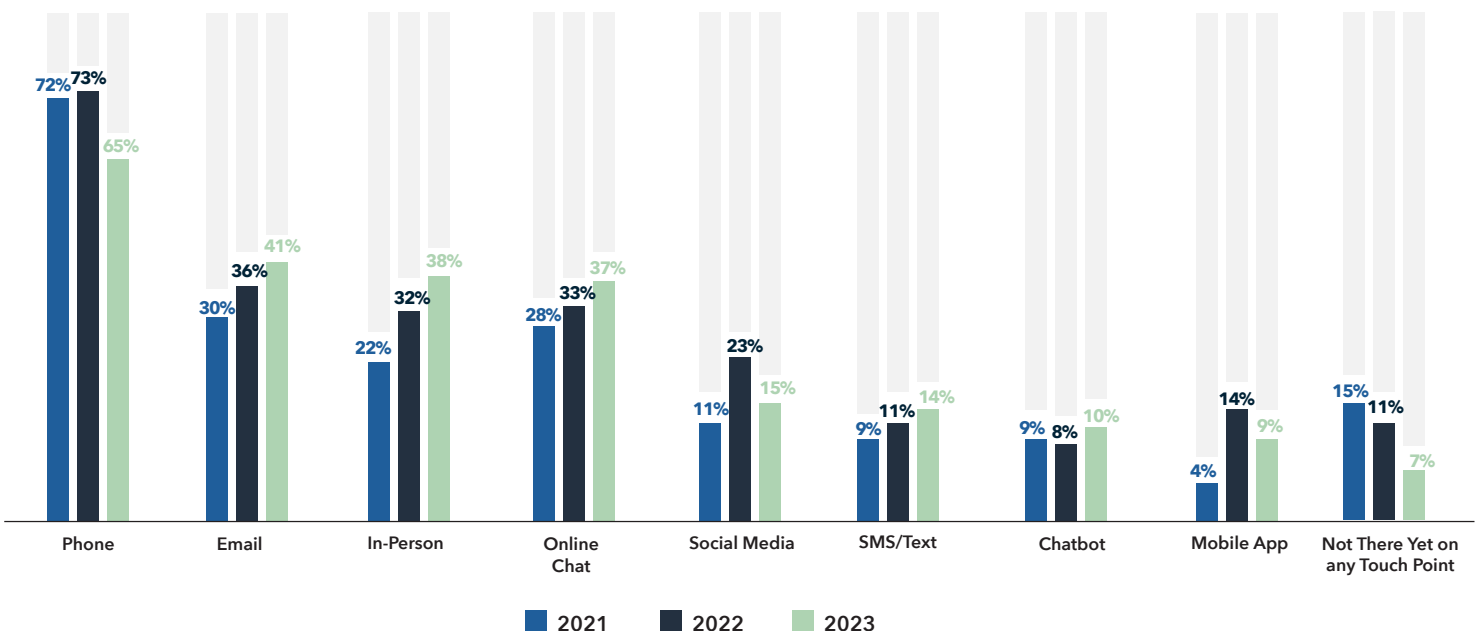
Do you measure how many customers attempt to use self-help or unassisted solutions but abandon the interaction before completing the task?

With the expansion of self-help and AI-powered unassisted solutions, it is critical for brands to understand both the overall experience and success of such solutions. A key metric for understanding this is abandonment. Therefore, it's reassuring to see such tremendous year-over-year growth in the percentage of companies measuring self-help abandonment, moving from 43% to 58% in recent surveying results. For companies trying to understand the value of their investment into self-help, measuring abandonment is an excellent place to begin.



Compared to results from previous reports, this year's results show companies are slightly less confident in the quality of their Phone offering and are feeling better about their performance across Email, In-Person, and Online Chat. That said, companies continue to feel the best about their Phone channel overall, with 65% indicating it as the channel where they most excel. To provide the best experience possible, brands should strive to instill the same quality and consistency across all channels. This is truly the only thing that can liberate customers, allowing them to connect with companies based on their own personal channel preferences.

Which customer touch point(s) do you feel your organization excels at? (Select all that apply.)

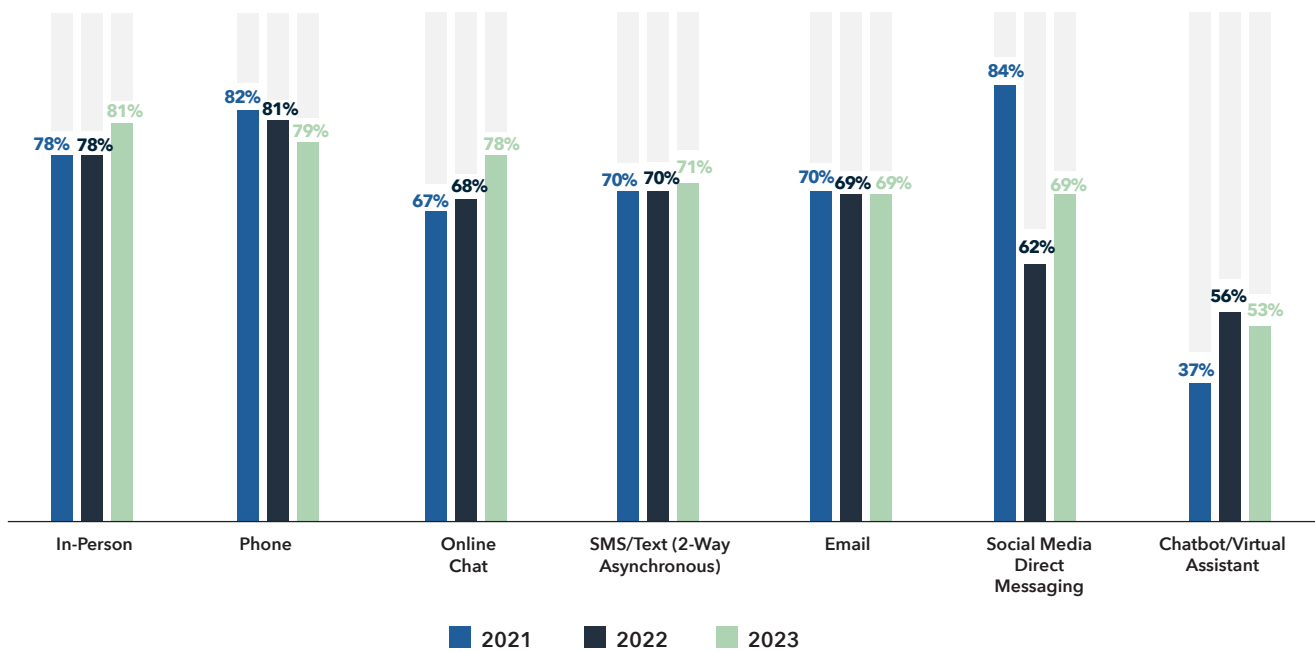


## TOUCH POINTS – MEASUREMENTS AND PERFORMANCE

# RESOLUTION RATES BY SOLUTION

Approximate resolution rates by channel have, for the most part, remained consistent over the last three years of data. In-Person and Phone continue to consistently provide the highest resolution rates, at or very near 80%. In a notable year-over-year change, the resolution rate of Online Chat catapulted up by 10 points, moving from 68% to 78%, putting the solution on par with In-Person and Phone. This is encouraging, as Online Chat is a natural starting point for improving the resolution rate of all digitally centered solutions.

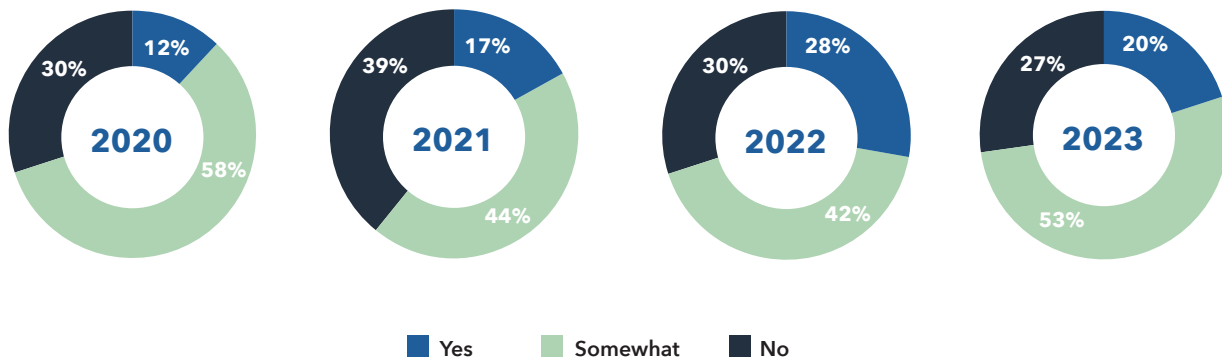
What is the approximate Resolution Rate of the following solutions?



## PROVIDING AN EXCEPTIONAL CROSS-CHANNEL EXPERIENCE

As mentioned on page 39, consistency across channels is a big part of the overall customer experience. The same goes for ease and seamlessness. So, in yet another reassuring result, the smallest percentage of CX leaders (only 27%) indicated that they do not do a good job of providing a seamless, consistent, and easy experience as customers navigate across channels. Better channel transitions are good news for consumers, as these types of experiences truly free up consumers to select channels based on their preferences, not on what they are forced into because of poor or negative experiences either to other channels or in transition from one channel to another. Brands should strive to empower their customers to make choices not simply to avoid a bad experience but, instead, to pursue an exceptional experience.

Does your organization do a good job of providing a seamless, consistent, and easy experience as your customers transition between different channels and solutions?





# PREFERENCES AND **INITIATIVES**

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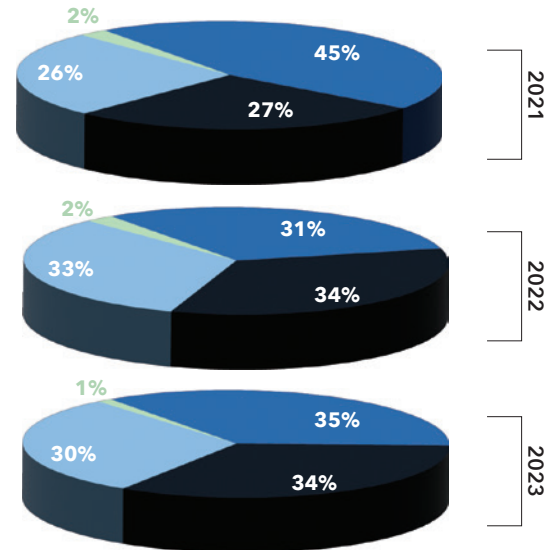
# TOUCH POINTS – PREFERENCES AND INITIATIVES

## CONTACT PREFERENCES

Assuming the customer care issue would be resolved, which contact method do you think consumers would prefer to use?

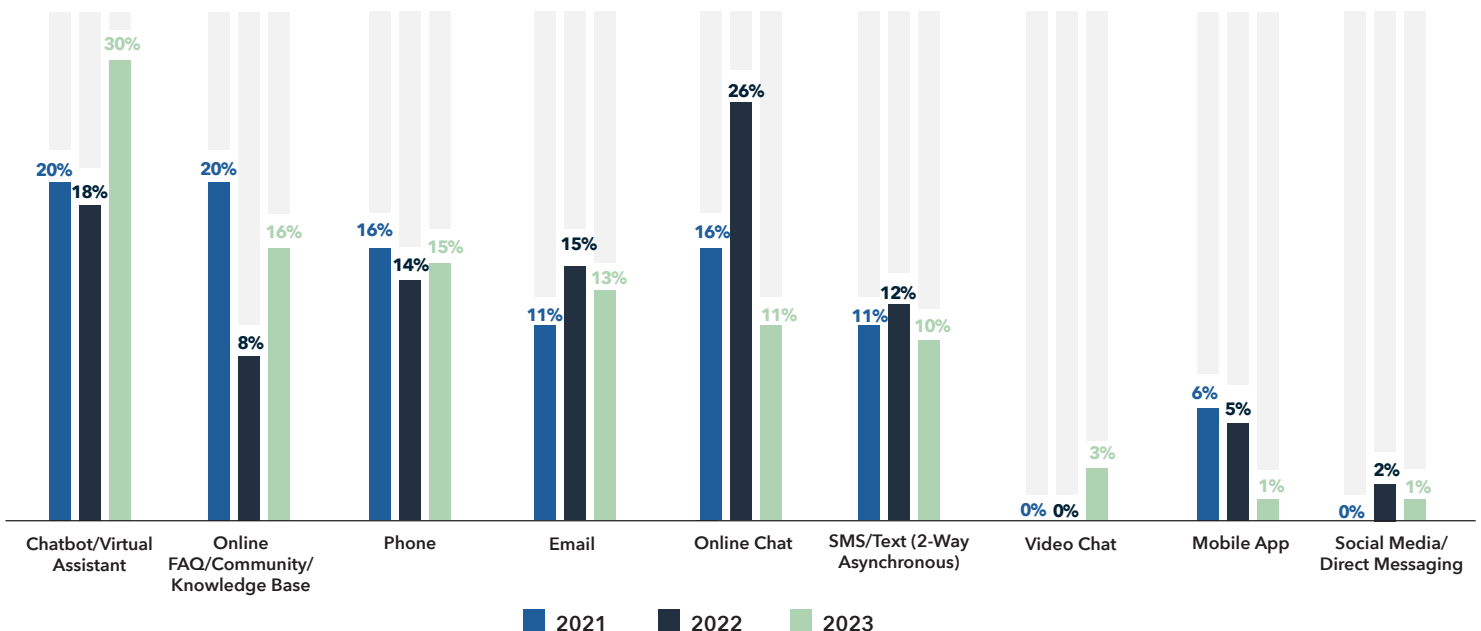
For the second year in a row, there is virtually a three-way tie in the percentage of CX leaders who feel consumers prefer either Self-Help, Text-Based, or Voice-Based solutions. But, in fact, consumers most strongly prefer Text-Based solutions, and have in each of the last two years of data. After Text-Based solutions, consumers prefer Voice-Based solutions, then Self-Help, followed distantly by Social Media. See page 87 for a detailed breakdown of how consumer preferences stack up against what CX leaders think consumers want.

- **Self-Help** (i.e., Chatbot, FAQ, Mobile App, Kiosk)
- **Text-Based** (i.e., Online Chat, SMS, Email)
- **Voice-Based** (i.e., Phone, Video, In-Person)
- **On Social Media** (i.e., Twitter, Facebook, Forums)



Reflecting results above, CX leaders are not only of the opinion that roughly a third of consumers prefer Self-Help solutions, but 46% of those same leaders would also prefer their customers use such solutions. This breaks down to 30% of CX leaders preferring their customers use Chatbot/Virtual Assistant solutions and 16% preferring their customers use Online FAQ/Community/Knowledge Base solutions. Clearly, there are some meaningful gaps between what consumers and CX leaders want and assume when it comes to solution preferences. To best close these gaps, companies should consider simply asking their customers about their preferences, as such preferences are strongly shaped by a number of factors, including age, product/service type, and type of issue being addressed.

Assuming all solutions are equally capable of resolving a customer's issue, which channel would you prefer your customers use?

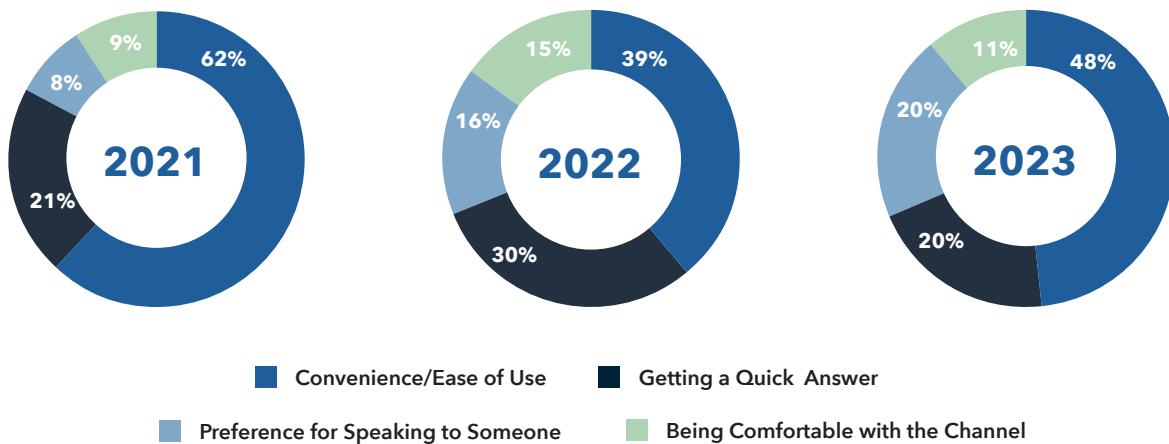


## TOUCH POINTS – PREFERENCES AND INITIATIVES

# FACTORS DETERMINING CONTACT PREFERENCES

While CX leaders are not entirely dialed in on consumers channel preferences, they are also slightly disconnected from the factors that drive consumer solution preferences. Although it's true that consumer preferences are strongly swayed by their desire for convenience and ease, they are equally motivated in their preferences by finding quick answers and by the inclination to speak with a person. See page 88 for a detailed comparison between what CX leaders think motivates consumer solution preferences and what consumers actually had to say about the matter.

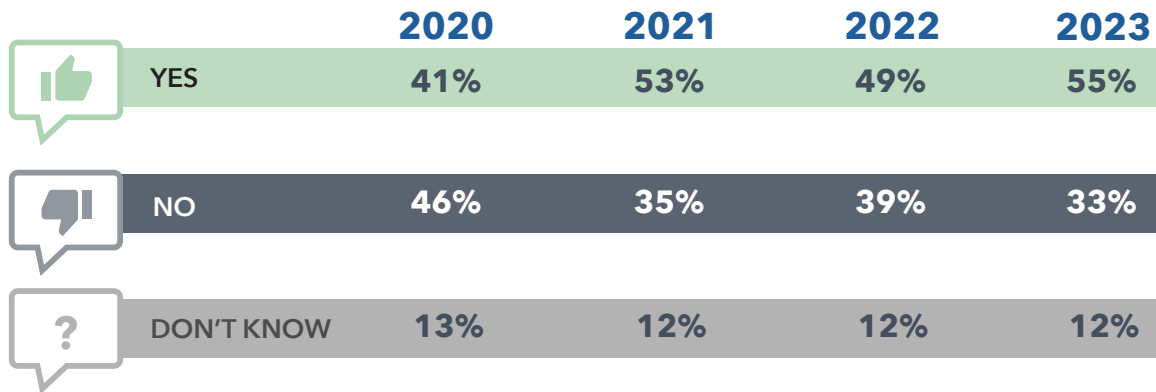
What do you think is the biggest factor in determining the contact method preferences of consumers?



TOUCH POINTS – PREFERENCES AND INITIATIVES

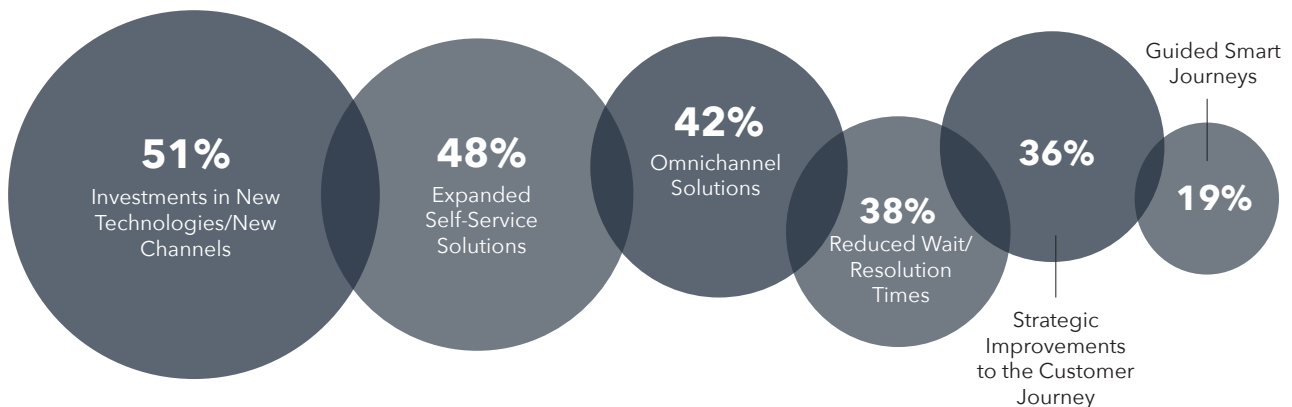
## INITIATIVES FOR GREATER CROSS-CHANNEL EASE

Does your organization have any specific initiatives to create greater ease for customers as they navigate across channels?



More good news in the above result showing 55% of respondents have specific initiatives to create greater ease as consumers navigate across channels. This result is the highest ever, with data going back to 2018. In a newly revised question previously framed as an open-ended, it is revealed that the three most popular initiatives for creating greater ease are “Investments in New Technology/New Channels,” “Expanded Self Service Solutions,” and “Omnichannel Solutions.” When implementing such initiatives, brands should carefully consider how these changes roll out not just to their internal operations, but also across BPO and outsourced sites, as end users are often impacted not just by whether they reach internal or external resources. Brands should consider striving for consistency and ease across not just different solutions, but different geolocations, too.

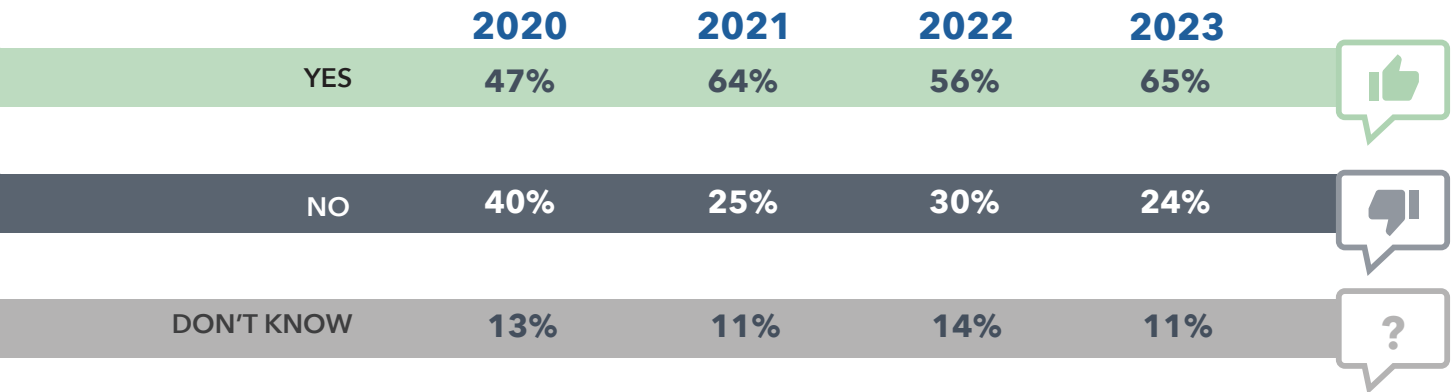
What are some specific initiatives your organization has implemented to create greater ease for customers as they navigate across channels? (Select all that apply.)



TOUCH POINTS – PREFERENCES AND INITIATIVES

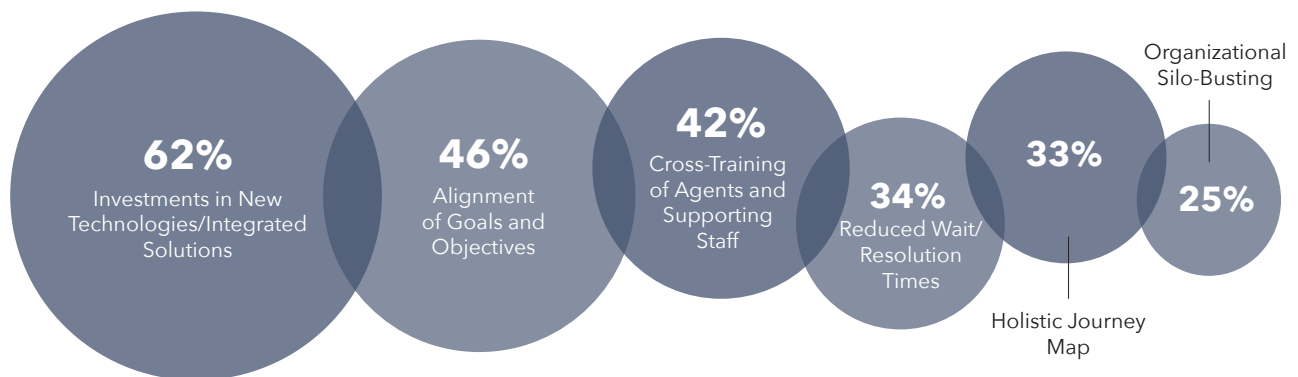
## INITIATIVES TO CREATE GREATER CROSS-CHANNEL CONSISTENCY

Does your organization have any specific initiatives to create greater consistency across channels?



In yet another result that compares strongly with historical trends, 65% of survey respondents indicated they had specific initiatives to create greater consistency across channels. This is the highest result since 2018 (at 71%), and strongly indicates companies are prioritizing consumers' desire for consistency. Chief among the implemented initiatives is, again, technology-based with "Investment in New Technologies/Integrated Solutions," followed by "Alignment of Goals and Objectives," and "Cross-Training of Agents and Supporting Staff."

What are some specific initiatives your organization has implemented to create greater consistency across channels? (Select all that apply.)



# CONCLUSIONS: TOUCH POINTS

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## Key Findings:

- » SMS/Text continues to be the top channel for future introduction, with 50% of survey respondents indicating they will be introducing the channel in the short- to near-term (page 37)
- » Fifty-eight percent of organizations measure abandonment rates within their unassisted channel — the highest rate since it was first measured in 2021 (page 40)
- » Sixty-five percent of organizations have initiatives to create greater consistency as consumers navigate across channels, the highest rate since 2018 (page 47)
- » Fifty-five percent of organizations have initiatives to create greater ease as customer navigate across channels, also the highest rate since 2018 (page 46)

Although Phone and Email continue to dominate the overall volume at contact centers, a pattern of change has been established. Volume gains are no longer centered around Phone and Email, especially with solutions like Online Chat and Chatbots picking up steam, and SMS/Text continuing to strongly assert itself for future growth, with about half of all the organizations that participated in this year's surveying claiming they plan to introduce SMS/Text to their customers in the short- to near-term. And while this transition is slow-moving, and has been underway for several years, meaningful patterns are clearly being established.

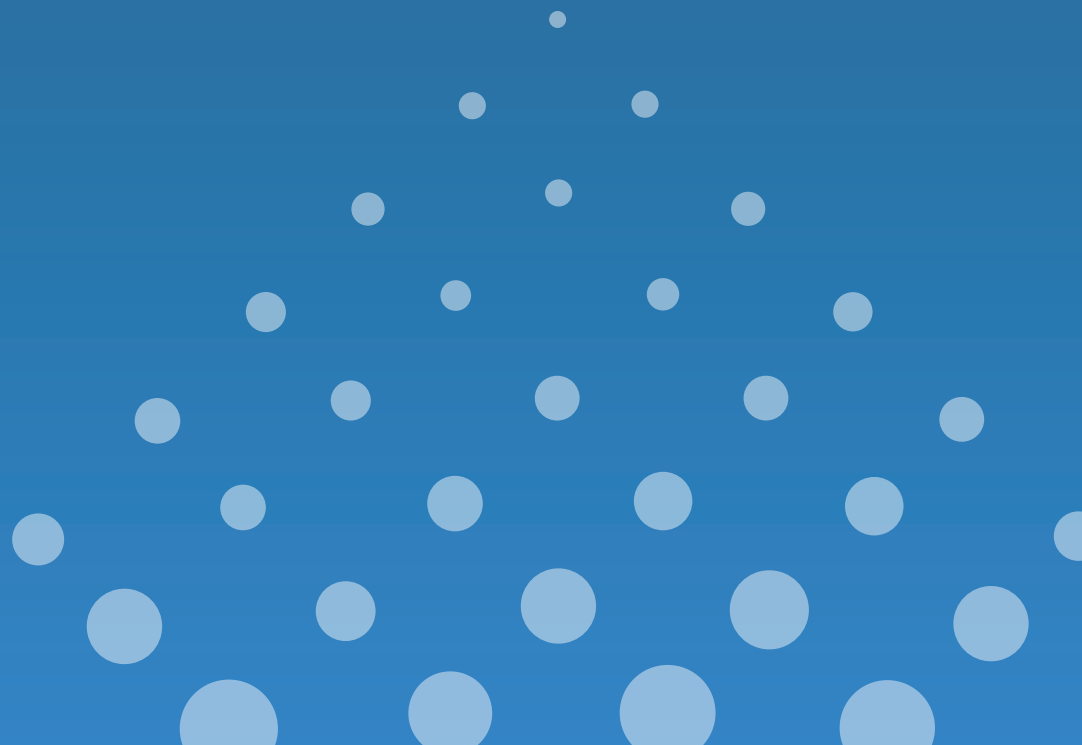
Also worth noting is the expanding investment in AI-powered technology. While most of this investment is pouring into agent-facing solutions, no insignificant amount is aimed at customer-facing solutions like chatbots and guided online experiences. As these solutions go live, and as consumers become more familiar and accepting of such solutions, the continuing shift from Voice-Based to Text-Based and from Assisted to Unassisted will continue, and possibly accelerate.

As more customers find themselves navigating their way around unassisted solutions, brands will need to be keenly aware that, at least in the beginning, this shift will mean greater cross-channel traffic. In other words, there will be a higher number of customers who might begin their journey within an unassisted solution, but might quickly find themselves pivoting to an assisted channel. As it turns out, the greater use of automation only means that brands will need to get better at cross-channel hand-offs, which have traditionally been a very challenging part of the journey to manage. Not only do such cross-channel hand-offs need to provide customers with a consistent experience, the shifts must also be easy and seamless, which means live assistance should be easy to access, should it be needed.

# CX STRATEGIES, PROGRAM DATA, AND LOYALTY



- » CX Strategies
- » Program Data
- » Loyalty





# CX STRATEGIES

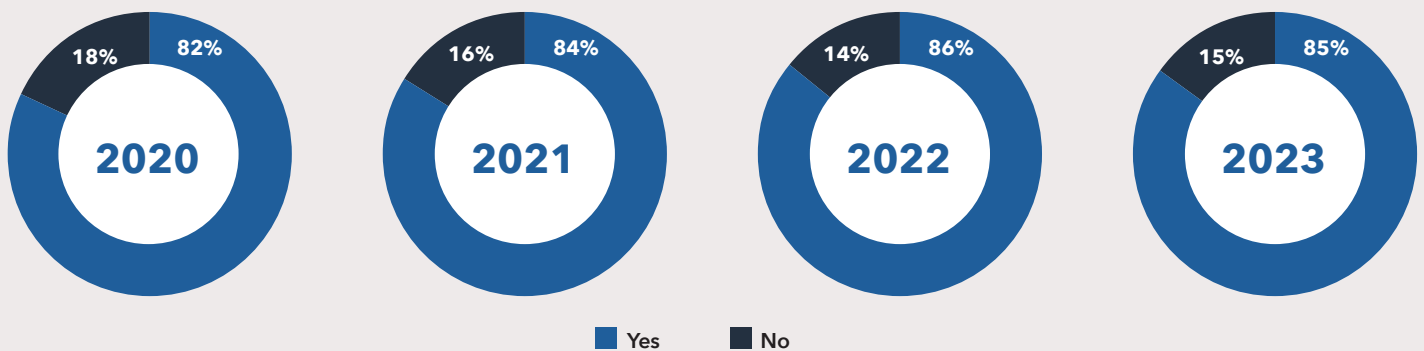
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CX STRATEGIES, PROGRAM DATA, AND LOYALTY – CX STRATEGIES  
**MEETING NEEDS AND EXPECTATIONS  
 AND “CUSTOMER FIRST”**

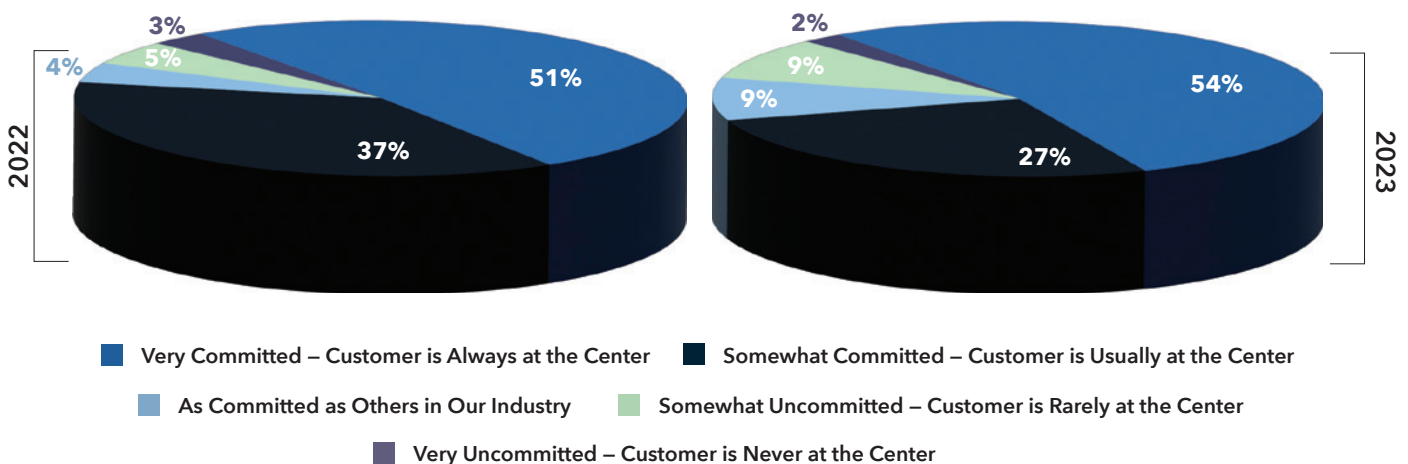
One of the most consistent results over the past 10 years of data is the majority of CX leaders believing their customer care operations are generally meeting the needs and expectations of their customers. Until just recently, CX Leaders Trends & Insights results suggested consumers strongly disagreed. In fact, since reporting on this result began in 2014, the average percentage of consumers who felt their needs and expectations were generally being met was only 34%. For more details on how corporate and consumer responses compare, check out the Consumer Comparison section on page 83.

Do you feel your customer care organization is generally meeting the needs and expectations of your customers?



While the commitment to a “customer first” strategy ticked up slightly year-over-year at the high-end of the spectrum (from 51% to 54%), this was more than offset by the 10-point drop in the percentage of companies “Somewhat” committed to a customer first strategy, as well as the increases in neutral and “Somewhat Uncommitted” respondents. Implementing a customer first strategy is most effective if rolled out company-wide, especially if it’s also embedded into the culture of a company. See page 64 for a list of brands that excelled at customer care in the opinion of CX practitioners.

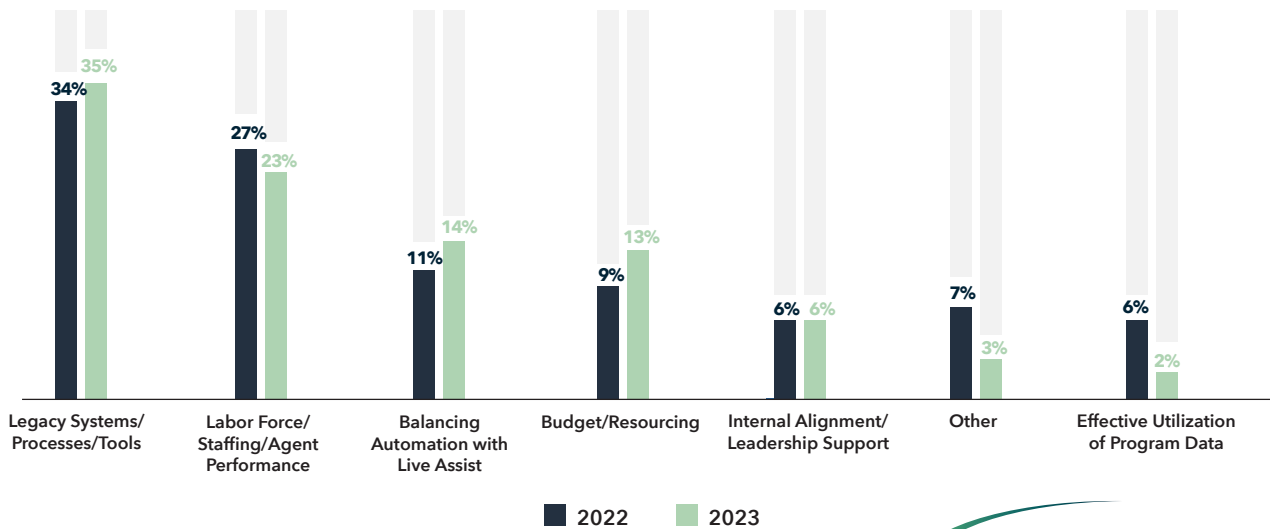
How committed is your company to a “customer first” strategy?



## BIGGEST CX CHALLENGES

In the second year of posing the question below, legacy (specifically as it applies to systems, processes, and tools) continues to dog CX operations, being registered as the biggest challenge by about a third of all survey respondents. Legacy issues are a big problem because they don't only thwart program efficiency, they often handcuff innovation and new initiatives. One of the most effective first steps in overcoming the challenges of legacy systems is to establish stronger internal relationships, particularly between Information Technology (IT) and CX leaders.

What is the single biggest challenge currently facing your CX operations?



Many organizations are struggling with legacy systems and processes. In what ways have you tackled this issue to move your initiatives ahead?



We've experienced significant growth over the last several years and we share a similar struggle to the respondents. Between the merger of three companies to create Bosch Home Comfort North America and the incredible success of our Inverter Ducted Heat Pump systems, our legacy systems and processes have been a challenge to delivering a best-in-class customer experience. With full executive support, we tackled this with a strategic vision for a connected infrastructure (along with our connected Internet of Things [IoT] product) rooted in good data, automation, and customer centricity. We started with a vision for a comprehensive and all encompassing data lake to provide the foundation of our digitalization efforts. With our data in a central place, we leverage APIs and platforms that will provide our agents with a complete view of our customer and our customers with more personalized, proactive, and effective service experiences. Of course, we continue to prepare our human workforce to build new skills and different mindsets to embrace this new environment.



**BOSCH**


**Heather Anderson**  
Director, IT & Aftermarket Operations

CX STRATEGIES, PROGRAM DATA, AND LOYALTY – CX STRATEGIES

## CULTURAL ALIGNMENT TO “CUSTOMER FIRST”

Falling generally in line with results from the previous page, which showed 81% of respondents either “Very Committed” or “Somewhat Committed” to a “customer first” strategy, 89% of respondents felt that the culture of their companies were either aligned or somewhat aligned with a customer first strategy. Somewhat concerning is the fact that this year’s results extended a trend of an increasing number of respondents indicating “No.” While it is possible for a company to successfully deploy a customer first strategy without an aligned company culture, it is undoubtedly an uphill battle. Thankfully, plenty of research exists to help CX leaders prove out the value of CX and a customer first strategy to leadership, including 2021 research\* from IBM and Adobe that suggests companies that establish CX as a formal business priority reported three-times-higher revenue growth.

Do you believe the culture of your company is aligned with a “customer first” strategy?

	2020	2021	2022	2023
 YES	52%	53%	51%	48%
SOMEWHAT	45%	43%	53%	41%
NO	3%	4%	6%	11%

\*<https://www.ibm.com/blog/how-businesses-who-prioritize-cx-drive-3x-more-revenue-growth/>

### From an insider’s perspective, what does it look like when a company is culturally invested in a “customer first” strategy?



At the core of our company’s culture is a genuine prioritization of customer needs and satisfaction; and this is not merely a slogan, but a deeply ingrained value that guides decision-making at every level. One of our core values is “Customers Talk, We Listen,” and this is a lever that drives continuous improvement, and has materialized in investments in a dedicated Customer Experience team and a holistic CX strategy, part of the overall company’s strategy.

Listening to customers is the trigger that drives action, and we have implemented an approach that combines a Voice of the Customer program along the customer’s journey and advanced data analytics on customers’ behavior to gain actionable customer insights. Our robust feedback mechanisms and listening approaches are enabling us to gather customer preferences, pain points and suggestions for improvement that inform product enhancements and new offerings, ensuring the company remains aligned with evolving customer needs and market trends.

Our customer-first culture permeates internal processes and policies, and employees across departments are empowered to make decisions that prioritize customer satisfaction and quality, and to bring ideas for internal processes’ improvements that will enable to better serve our customers. This agility and flexibility to continuously improve enables us to respond swiftly to customer issues and adapt to changing users’ and markets dynamics.

Ultimately, being culturally invested in a customer-first strategy has proven for us to foster long-term customer loyalty, drives sustainable growth and establishes our brand as a trusted partner in the eyes of our valued customers.



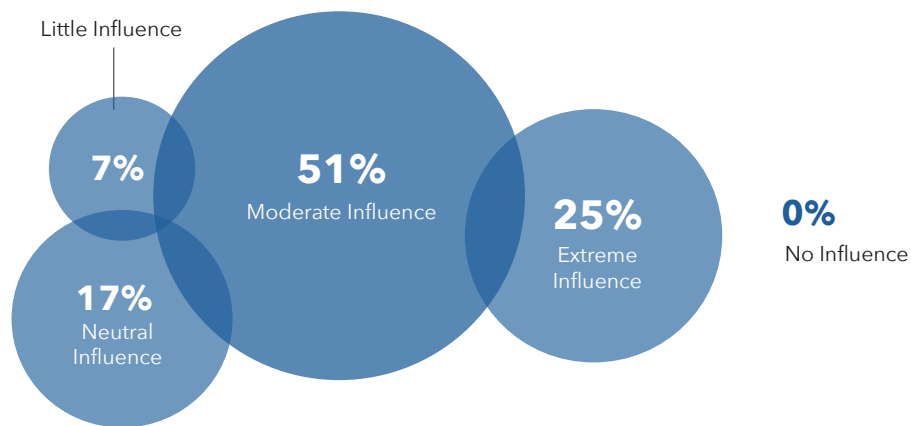
**Susanna Baque**  
Senior Director Global Customer Experience



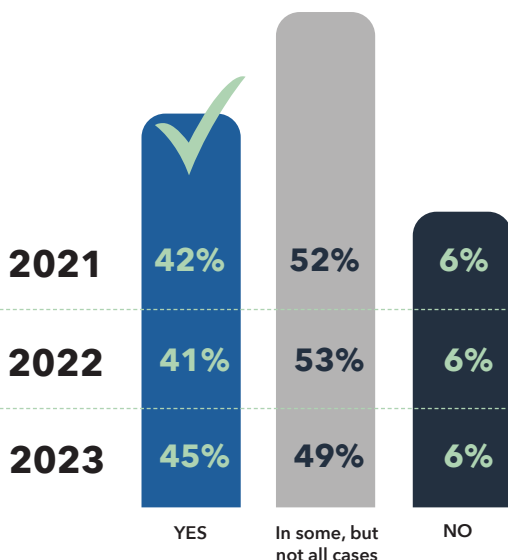
## CX INFLUENCE AND PROACTIVE FOLLOW-UPS

In a new question for this year’s report, CX leaders were asked to define the influence of CX within their companies. The results are encouraging, with a total of 76% indicating “Extreme” or “Moderate” influence. Long known is the connection between prioritizing CX and improved profitability and revenue generation, and companies that allow CX’s influence to propagate throughout the organization gain unique advantages that lead to higher loyalty, improved brand opinion, and less churn.

How would you describe the level of influence CX strategies, initiatives, and priorities have within your company?



Following a negative customer care experience, does your organization proactively follow up with customers to help remedy or apologize for the situation?

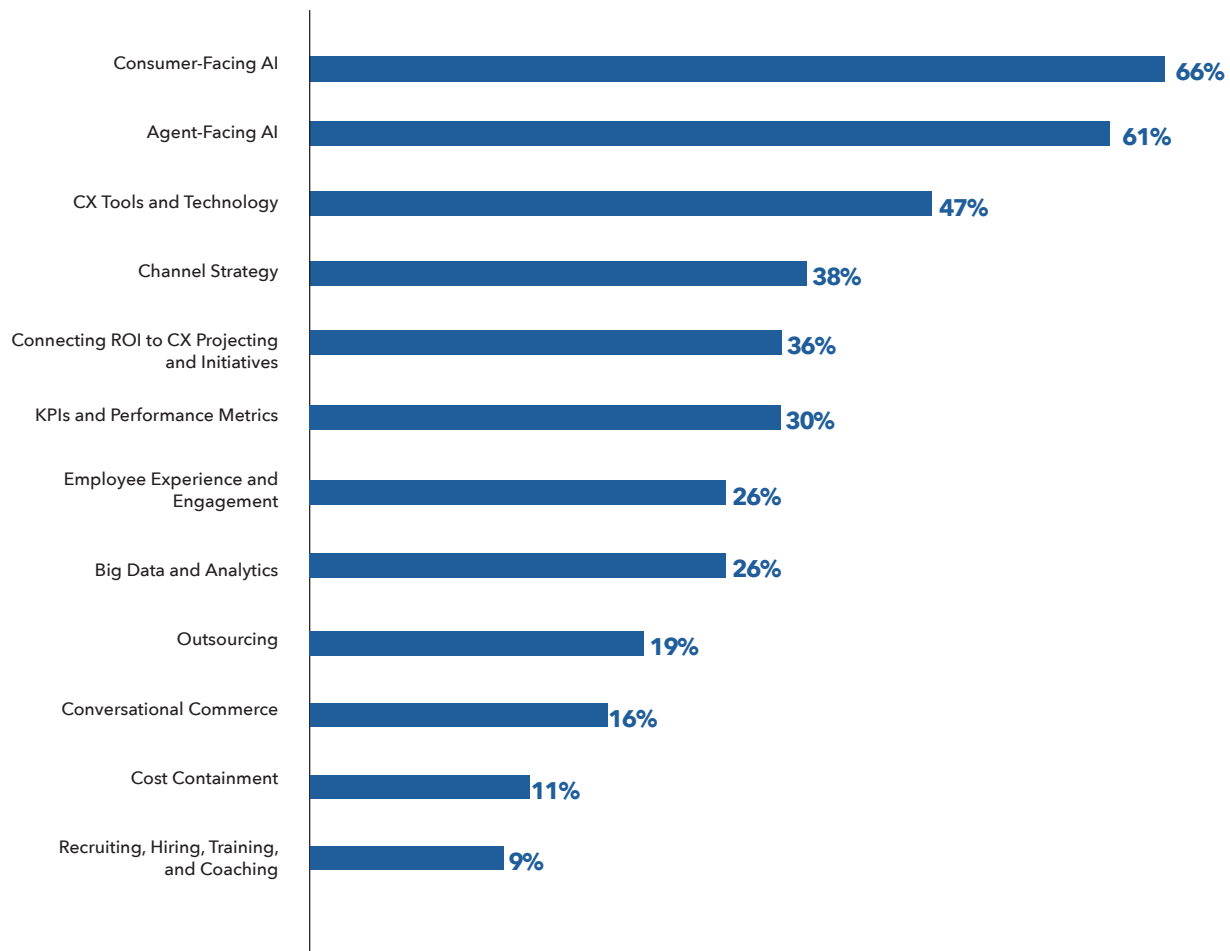


The percentage of companies that proactively follow up with all customers after a negative experience ticked up slightly year-over-year (up four points), but continues to fall short of 50%. CX Leaders Trends & Insights Consumer Edition research has repeatedly shown that companies that fail to proactively follow up are more at risk of having negative experiences have a detrimental effect on future purchase decisions. While it is unrealistic to think that brands can proactively follow up on every negative experience, brands should consider selective proactive follow-up based on the life value of a customer or on a case-by-case basis. For details on the precise impact of failing to follow up, check out the Consumer Comparison section on page 86.

## CX TOPICS OF FURTHER INTEREST

In a new question designed to map out where priorities lay for CX leaders, it's clear that AI and CX technology are far and away top of mind. Given the ongoing economic concerns, "Connecting ROI to CX Projects and Initiatives" is also a topic that's sure to gain attention moving forward. Continuous learning is a source of strength for CX leaders. Though there is no single best source for learning more about CX, a place worth consideration is Execs In The Know's own private online community, Know It All (or KIA for short). KIA is exclusively for corporate CX leaders, free of charge, and a great place to network, share, and learn about the topics listed below, as well as many others. Learn more about KIA at [execsintheknow.com/join\\_our\\_CX\\_community](https://execsintheknow.com/join_our_CX_community).

Which CX topics would you like to see explored in greater depth within Execs In The Know content and research? (Check all that apply.)



# PROGRAM DATA

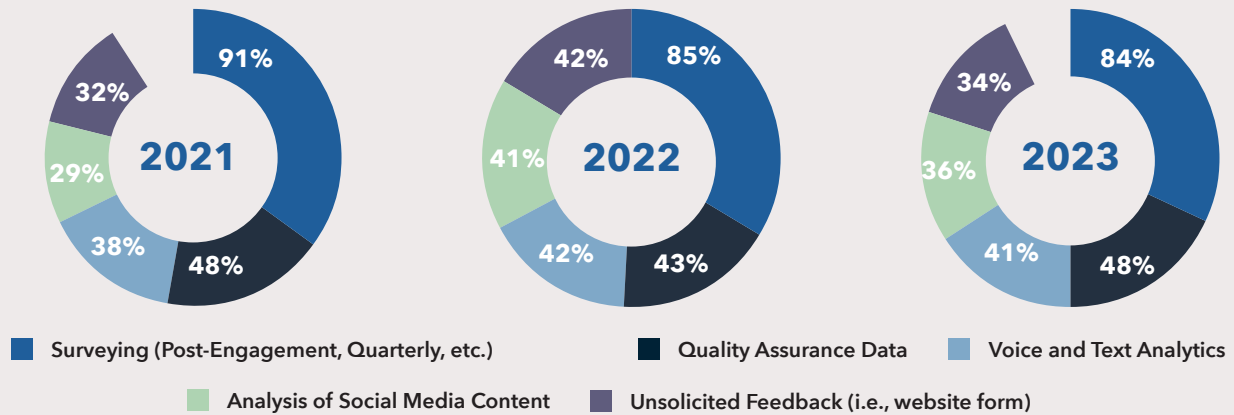


CX STRATEGIES, PROGRAM DATA, AND LOYALTY – PROGRAM DATA

## CAPTURING SENTIMENT, SURVEYING, AND USE OF DEMOGRAPHICS

Surveying continues to be the most popular method for soliciting customer sentiment and CSAT information, though its popularity has slipped slightly lower for the second year in a row. While customer surveying is a very direct and proven method for gaining customer insight, survey fatigue is a real thing. To maximize the volume and value of insight, companies should consider a multipronged approach, especially one which includes more passive forms of sentiment collection like QA data and voice/text analytics.

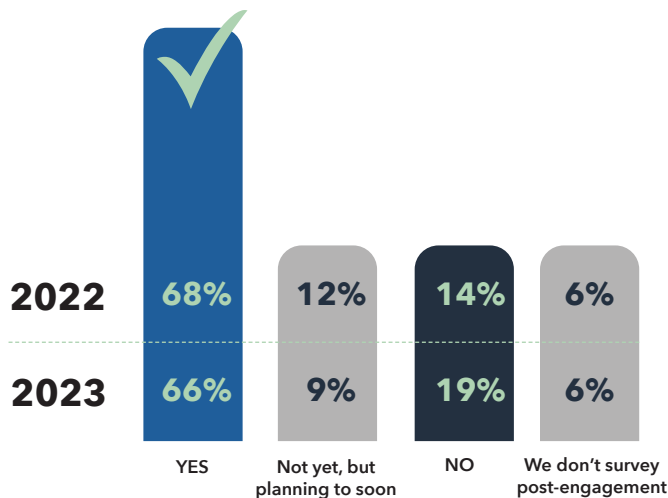
In which ways is your organization capturing customer sentiment and satisfaction information? (Please select all that apply.)



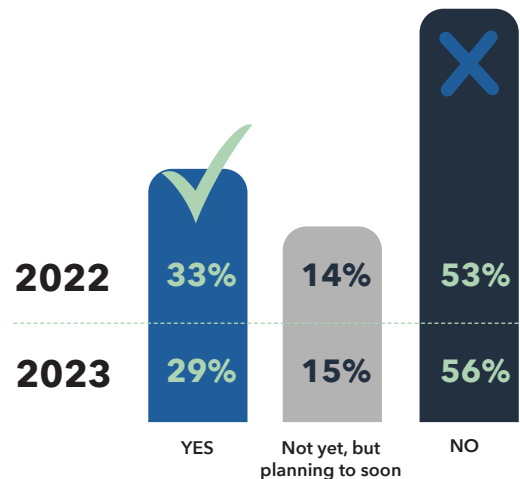
Most companies continue to do right by their data collection integrity, with 66% of survey respondents ensuring randomized collection when surveying post-engagement. Randomized collection is one of the most effective and direct ways to eliminate sampling biases, and should be standard fare for any survey collection program.

Year-over-year, slightly fewer CX organizations are using the age demographics of their customers to strategize the solutions and processes of their CX operations, with about a third (29%) doing so. Time and again, CX Leaders Trends & Insights Consumer Edition research has shown that age has a major impact on things like channel preference and adoption.

When surveying customers post-engagement, does your organization take steps to ensure survey collection is truly randomized?



Are you using the demographics (age) of your customers to strategize solutions and processes within your CX organization?





## CX STRATEGIES, PROGRAM DATA, AND LOYALTY – PROGRAM DATA

### UTILIZING PROGRAM DATA

Year-over-year, the percentage of survey respondents who feel their organizations are NOT using program data in an appropriate and productive way ticked up by five points. In recent years, CX leaders are becoming far more educated about what data they have available to them and how to use that data, so the recent dip could be related to the fact that the industry is simply better informed of the possibilities. At any rate, when properly utilized, program data can not only help transform CX operations by identifying pain points and experience gaps, it can also lead to improvements in other areas of the organization like product/service design, marketing, and fulfillment.

Do you feel your organization is using program data (things like Voice of the Customer and Quality Assurance data) in an appropriate and productive way?

	2021	2022	2023
 YES	38%	39%	32%
SOMEWHAT	43%	45%	47%
NO 	19%	16%	21%

Nearly all the responses to the below open-ended question rolled up to a few specific points when it comes to maximizing program data. The most prevalent had to do with how the data is managed, analyzed, and shared, with many respondents noting how the data simply does not make it to all of counterparts who might best benefit from the information. Other notable thoughts on maximizing program data include greater integration of tools and other data sources to create a more robust data set, as well as use of program data to help set operational priorities and to identify opportunities to create greater efficiency.

Below are a handful of verbatim from the responses received:



#### WHAT COULD OR SHOULD YOUR ORGANIZATION BE DOING DIFFERENTLY TO MAXIMIZE THE VALUE OF YOUR PROGRAM'S DATA, AND WHAT IS WORKING BEST CURRENTLY?

"Bring the data into a central system for analysis and reporting."

"We need to utilize more data science to determine which feedback needs urgent attention rather than chase our long-term dissatisfiers which are more related to cost than service after sale."

"We have multiple customer touch points depending on the product. We currently only survey a small percentage of those touch points. We need to expand our survey capabilities."

"Share CX data more often, and to a larger crowd."

"Higher integration of agent and customer tools ... we are very fragmented."

"Stitching the end-to-end customer journey together to drive channel strategy and retention strategy."

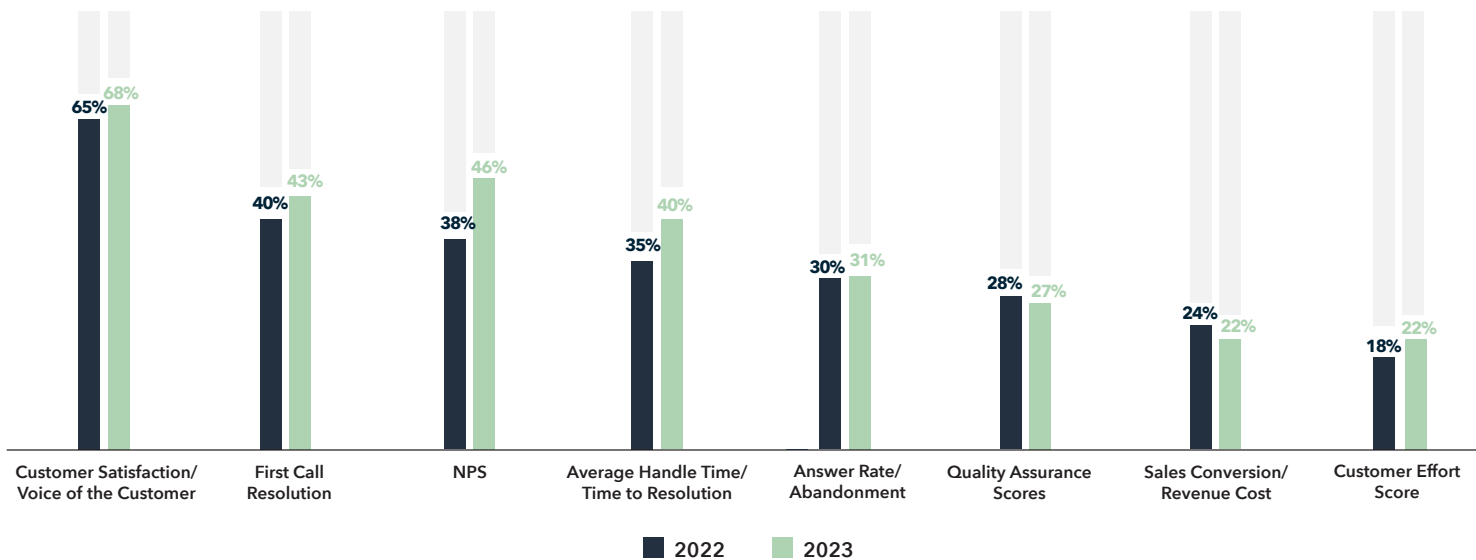




CX STRATEGIES, PROGRAM DATA, AND LOYALTY – PROGRAM DATA  
**KEY PERFORMANCE INDICATORS**

Net Promoter Score (NPS) and Average Handle Time (AHT) both saw resurgences year-over-year, up eight and five points, respectively. Although CSAT/VoC and NPS continue to rule the roost in terms of KPIs, both of these methods are largely dependent upon survey participation. As companies become more sophisticated at AI, analytics, and connecting the data dots, it is reasonable to expect metrics will depend less heavily on active participation by customers and more heavily on passive methods of gauging program performance. Like so many other areas of business, success depends on information. The brands that can best manage and react to their own pool of data, be it with reliable metrics or keen insights, are in the very best position to succeed.

**Which three key performance indicators (KPIs) are most critical and garner the most attention in the management of your CX operations?**



## DIRECTION OF KEY PERFORMANCE INDICATORS

Program KPIs remained range-bound year-over-year, with 60% of survey respondents seeing improving numbers (either “Significantly” or “Somewhat”). This follows results of 62% in 2022 and 63% in 2021. KPIs have been reshaped at many organizations over the past few years, with greater emphasis on things like CSAT, customer effort, agent attrition, and average resolution time, and less emphasis on things like average handle time and NPS. Undoubtedly, which KPIs matter most will continue to evolve, just like the CX programs and end users they track against.

Generally speaking, over the past 12 months, have your critical program KPIs been improving, declining, or remaining the same?

		2021	2022	2023
Improving Significantly	★★★★★	19%	14%	16%
Improving Somewhat	★★★★☆	44%	48%	44%
Remaining About the Same	★★★☆☆	22%	27%	27%
Declining Somewhat	★★☆☆☆	10%	8%	7%
Declining Significantly	★☆☆☆☆	5%	2%	6%

# LOYALTY

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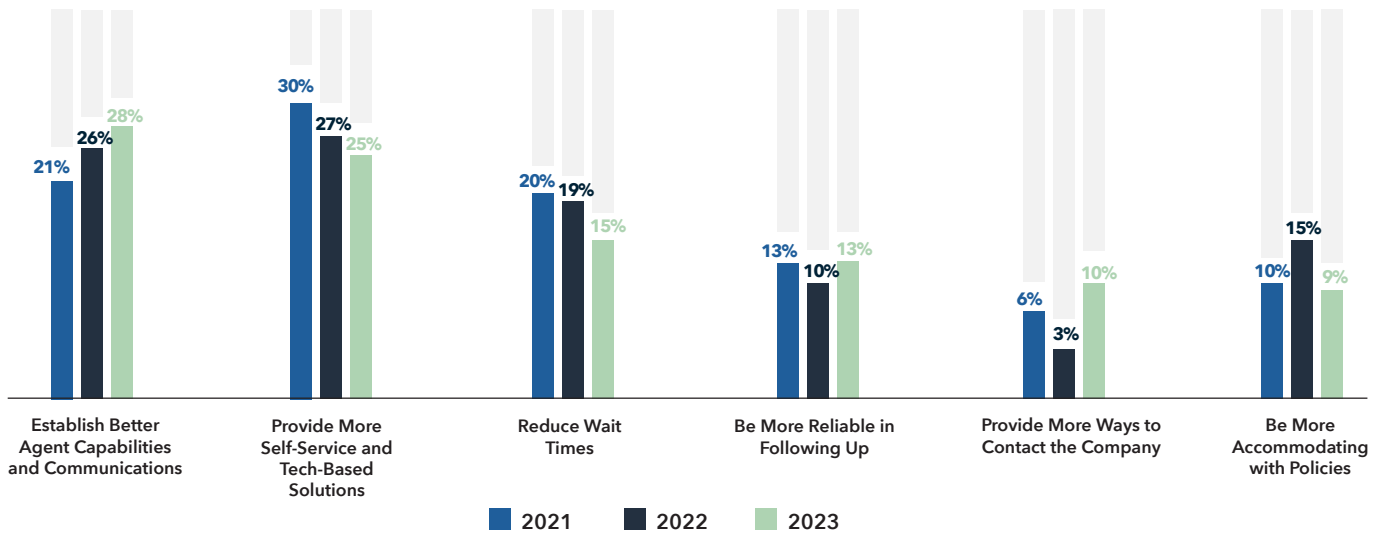


# CX STRATEGIES, PROGRAM DATA, AND LOYALTY – LOYALTY

## MAKING RESOLUTION EASY AND WHAT'S MOST IMPORTANT

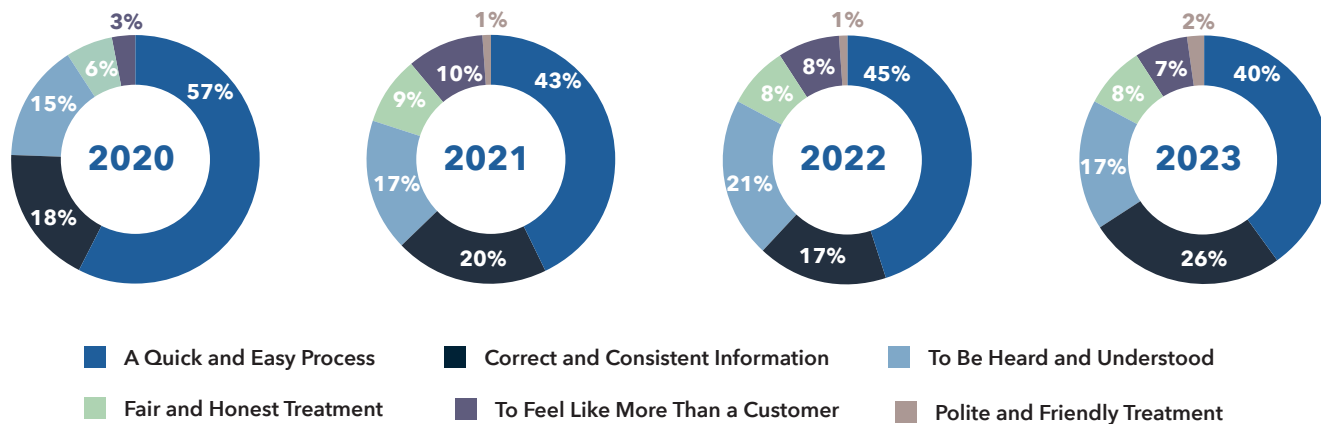
When asked what they think consumers want in order to create an easier resolution process, CX leaders are generally on target, with one exception: "Provide More Self-Service and Tech-Based Solutions." While only 25% of CX leaders pegged this item as what consumers want (down from 30% two years ago), the average response by consumers to a similar question averaged just 8% in the last four years of data. For more details on how CX leaders and consumers compare, check out the Consumer Comparison section on page 85.

What do you think consumers want brands to do to make the resolution process as easy as possible?



In yet another question that asks CX leaders to speculate on what their customers want, "A Quick and Easy Process" was the top choice among CX leaders. And while this response is typically among the top responses provided by consumers, "Fair and Honest Treatment" has consistently been the most popular response among consumers since the question was first asked in 2017. At the end of the day, consumers want to feel like they are getting a fair exchange of value, and that also extends to the customer care they receive.

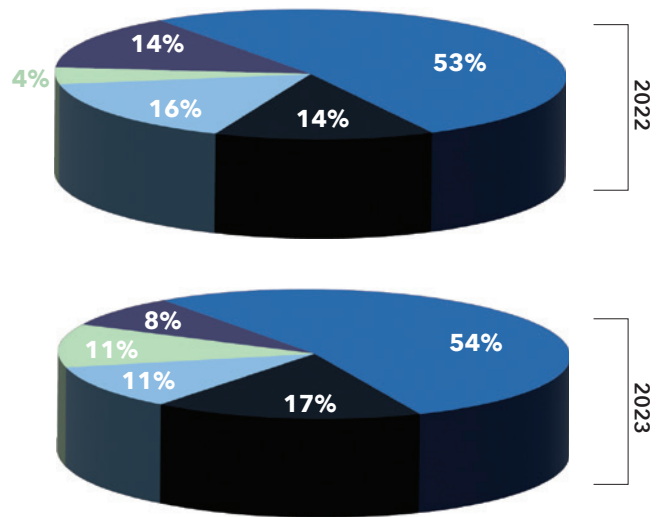
Aside from getting their issues resolved satisfactorily, what do you think is most important to your customers when trying to resolve a customer care issue?



CX STRATEGIES, PROGRAM DATA, AND LOYALTY – LOYALTY  
**CONSUMER FRUSTRATIONS**

When asked what they perceive to be the most frustrating aspect for consumers in resolving a customer care issue, CX leaders largely indicated it was the process being either too cumbersome or taking too long. In reality, this concern is well down the list for consumers. The number one frustration for consumers continues to be “Difficulty Reaching a Live Person,” followed distantly by “Poor Agent Quality.” In other words, agents still matter to a huge number of consumers. They want to be able to reach live agents easily, and they want those agents to communicate well and have helpful attitudes. For more detail on how consumers responded to a similar question, check out the Consumer Comparison section on page 84.

What do you think is the most frustrating aspect of resolving a customer care issue for consumers?



- Process Takes Too Long or is Cumbersome
- Difficulty in Reaching a Live Person
- Unhelpful Company Policies
- Lack of Accountability by Company
- Poor Agent Quality (Communication, Attitude)

**What do you think is the most frustrating aspect of resolving a customer care issue for consumers?**



Our legacy systems had been built up over the years to a point where too many situations required a frontline agent to receive approval before they could act. Many times, another department was needed to grant an approval, then someone else needed to contact the customer once again to advise them of the result. Customer feedback reflected frustration that the first agent could not fulfill their request, or even tell them what to expect. In these situations, customers perceived us to be unhelpful and uncaring. As we have been replacing our systems, we have taken two important steps to speed up our processes to improve our First Contact Resolution:

- Place more authority in the hands of the frontline agents. Parameters were simplified so that in most cases, the initial agent could self-approve a resolution.
- When a resolution does require additional approval, we have established an internal chat system to give front line agents live access to someone who can grant the approval, usually while the customer is still engaged with the agent.

This simplification of our process also lays the groundwork for enabling automated service in many situations.



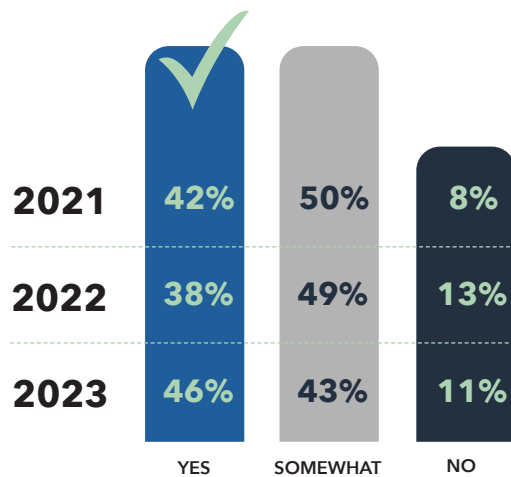
**Rick Clark**  
 Director of Customer Care Strategy

**BALSAM**  
 BRANDS



## BUILD LOYALTY, DOING CX WELL, AND PAYING MORE FOR GOOD CX

Do you feel your organization does a good job of using its customer experience operations to drive customer loyalty?



The percentage of CX leaders feeling their brands do a good job of using their CX operations to drive customer loyalty ticked up strongly year-over-year, with 46% saying “Yes,” an increase of eight points. In practice, CX activities that can have a meaningful impact on loyalty include proactive follow-ups (particularly after negative experiences), engaged agents, moments of surprise and delight, and speedy, reliable communications.

CX leaders should not only be focused on their own programs, they should also be general observers of the industry and aware of their experiences as customers of other brands. When asked which companies they think are doing CX well, many bellwether brands populated the responses, brands like Amazon, Apple, Chewy.com, and Delta. The one thing all these brands have in common ... they are innovative and bold in their strategies, and all truly walk the walk when it comes to building a customer-centric culture.

Which companies do you think are doing CX well, and what specifically do you think it is that makes them successful? (Both big and small companies.)

### MULTIPLE MENTIONS

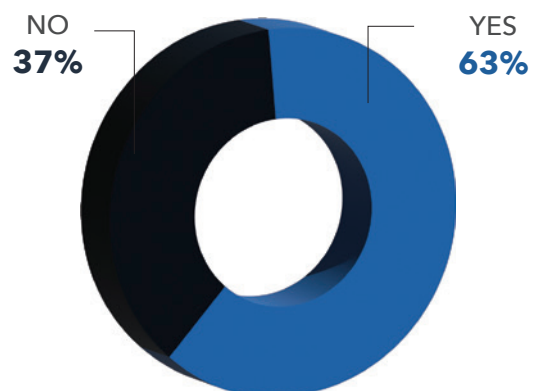
- Amazon
- Apple
- Zappos
- Ritz Carlton
- Microsoft
- Google
- Chewy.com
- USAA
- Facebook/Meta
- Delta
- American Express

### SINGLE MENTION

- Bell Canada
- Trader Joe’s
- Sagility
- Samsonite
- eBags
- Ralph Lauren
- Warby Parker
- United Airlines
- Madewell
- T-Mobile
- Tesla
- Patagonia
- Booking.com
- Four Seasons
- Spanx
- Uber
- Shopify
- Trupanion
- Nordstrom
- Gong
- Zoom
- Airbnb
- Ally Bank
- Mercedes Benz
- Blue Cross Blue Shield
- Chick-fil-A

When the majority of CX leaders think consumers would be willing to pay a little more for products/ service if it meant they’d get world-class customer care support, they’re right. In fact, in the last CX Leaders Trends & Insights Consumer Edition report, 68% of consumers said they’d be willing to pay more if it meant getting world-class customer care. This result is a good illustration of exactly how much good care means to customers.

Do you think your customers would be willing to pay a little more for your products or services if it meant they’d get world-class customer care support?



# CONCLUSIONS: CX STRATEGIES, PROGRAM DATA, AND LOYALTY

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## Key Findings:

- » The most significant challenge for CX operations is “Legacy Systems/Processes/Tools,” with 35% of CX leaders naming this as their biggest challenge (page 52)
- » Seventy-six percent of respondents described the influence of CX at their organizations as either “Extreme” (25%) or “Moderate” (51%) (page 54)
- » More CX leaders than ever before (46%) feel their organization does a good job of using CX operations to drive customer loyalty (page 64)
- » Sixty-three percent of CX leaders feel their customers would be willing to pay a little more for their products and service if it meant they’d receive would-class customer care (page 64)

Aside from perhaps the impact of uncertain economic conditions, legacy systems have consistently been named as one of the most difficult challenges faced by CX leaders, both in closed-ended and open-ended survey responses. Legacy systems don’t only present performance challenges, they also hinder innovation across the organization by presenting integration challenges. In fact, more than a third (35%) of all survey respondents named “Legacy Systems/Processes/Tools” as their biggest challenge.

In an exciting result from a new question, it’s clear that (at least according to the CX leaders who participated in this year’s surveying) CX holds substantial sway at organizations. This is good news because to succeed at CX, it must truly be an organization-wide endeavor. In fact, “Customer First” almost needs to be embedded in the culture of a company, and every part of the organization has to take responsibility for the experience a customer has. And even though CX looks to have influence, expanding that influence should be a constant mission. CX leaders should constantly be striving to build stronger ties with other organizational groups like IT or product, and one of the most effective ways to do this is to transform all the valuable data under the contact center’s control into insights, and feed those insights back into the organization.

Not only does CX hold sway within organizations, more CX leaders than ever before (46%) feel their CX operations are doing a good job at driving customer loyalty. Framing CX operations as an exercise in building the brand and inspiring loyalty is a powerful message, one CX leaders should arm themselves with as they seek the resources needed to tackle their biggest challenges.

# CX TECHNOLOGY



- » Investments and Competitiveness
- » Artificial Intelligence







# INVESTMENTS AND **COMPETITIVENESS**

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## TECH STACK SATISFACTION

Satisfaction with CX technology tech stacks leapt upward year-over-year, with 45% of survey respondents either “Very Satisfied” or “Satisfied” compared to only 31% the year prior. Tech stack satisfaction among CX leaders is critical for many reasons, including the rapid digitization of CX programs, greater interest in managing and utilizing program data, the shift toward AI, and the fact that “Legacy Systems/Process/Tools” is the most significant challenge facing CX operation today (page 52). To give themselves the best chance at finding satisfaction for their tech stack, CX leaders should consider establishing stronger ties with IT and other technology stakeholders in an effort to clearly express the importance and impact of technology on the customer experience.

Are you satisfied with your organization’s current CX technology stack?

		2022	2023
Very Satisfied	★★★★★	4%	8%
Satisfied	★★★★☆	27%	37%
Neither Satisfied or Dissatisfied	★★★☆☆	31%	25%
Dissatisfied	★★☆☆☆	32%	20%
Very Dissatisfied	★☆☆☆☆	6%	10%

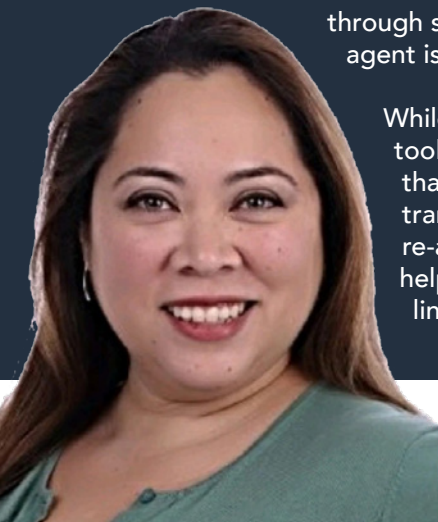
**Dissatisfaction with CX tech stack remains elevated. What changes have you made in recent year to rebuild your satisfaction with your tech stack?**



Salesforce recently released a State of the Connected Customer report that also speaks to this dissatisfaction. From a customer perspective, a disconnected tech stack results in what feels like a disconnected experience. Customers expect a consistent interaction across departments and that everyone they speak to has the same information, but the reality is they often have to repeat or re-explain information as new representatives get involved in their case, creating an unsatisfactory and disjointed experience.

As we’ve worked through Operational Excellence programs at Shell Energy, we’ve made this our north star in development discussions, especially around sensitive PII. We’ve worked to streamline development to re-use and mask components where possible and allow for continuity of a transaction through self-serve and agent journeys. As a customer runs into possible issues through self-serve, the focus is in allowing for an easy continuation of the journey when an agent is engaged to further solve the customer’s issue.

While we’re doing what we can from a thoughtful design approach and using the technical tools we currently have, we’re also actively assessing the new market shifts to AI options that would include a summarized journey and action steps that can follow the customer transaction in a way that eliminates the need for customers to have to repeat/re-enter or re-advise on their sentiment and concerns. We feel confident this kind of investment will help both the employee experience and customer experience, creating tangible bottom line impacts to efficiency measures, satisfaction measures and retainability.



**Shell**  
**ENERGY**

**Sandra Escobedo**  
Senior Vice President, Customer Experience

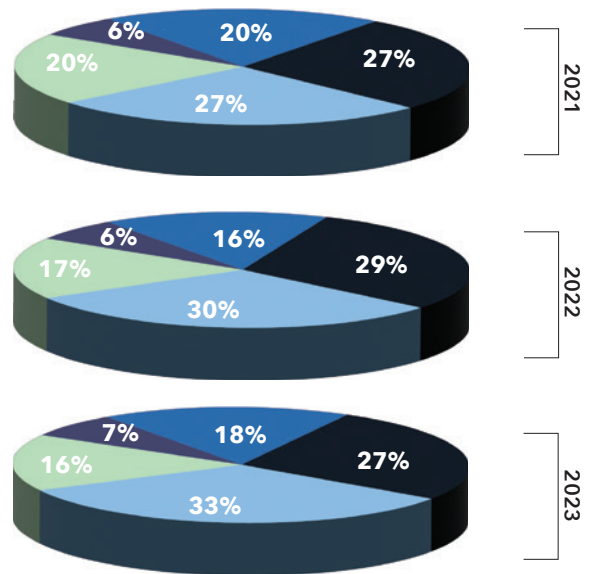
# CX TECHNOLOGY – INVESTMENTS AND COMPETITIVENESS

## CX TECH COMPETITIVENESS

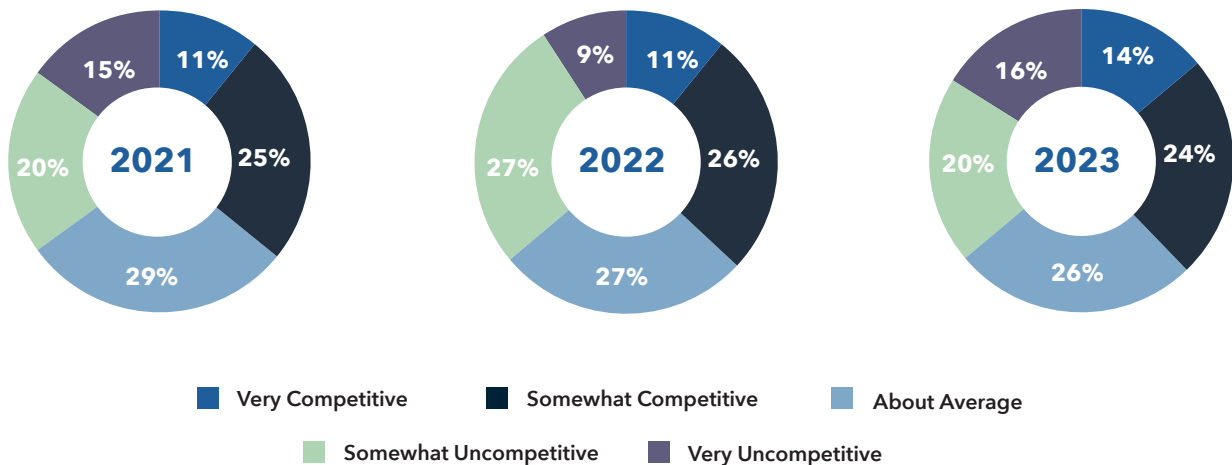
In a pair of questions designed to gauge how CX leaders feel about their organization’s level of CX technology investment, it is clear survey respondents feel much better positioned against their competition than they do against a broader group representing all industries. Although AI grabs a lot of the attention in today’s marketplace, investments in upgrading legacy systems should not be overlooked, as legacy systems pose a significant challenge for many organizations in many ways, including handcuffing the implementation of new tools, disruptions to the flow of data, and negative impact on things like program integrations and efficiency.

Compared to your competition, how would you describe your organization’s level of competitiveness when it comes to investment in emerging CX-related technologies?

- Very Competitive
- Somewhat Competitive
- About Average
- Somewhat Uncompetitive
- Very Uncompetitive



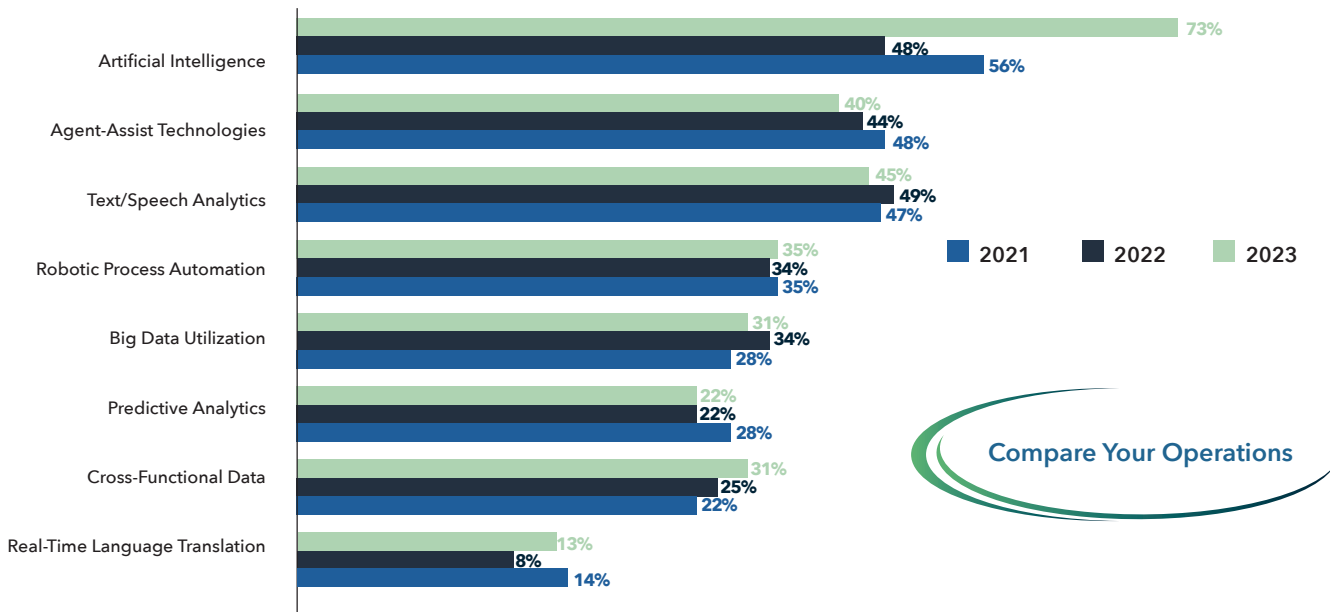
Compared to all companies in all industries, how would you describe your organization’s level of competitiveness when it comes to investment in emerging CX-related technologies?



## CURRENT CX TECH INVESTMENT

Investment in AI took a measurable leap forward year-over-year, with nearly three quarters (73%) of all survey respondents currently investing in such technology. Although these results should be tempered by the fact that AI can take many forms (including some of the other items listed in the responses), the jump in investment is encouraging, as AI has the potential to create dramatic competitive advantages between those firms that are using such technologies and those that are not.

Which of these operational support technologies is your organization currently investing in? (Select all that apply.)



### Investment in AI for CX has exploded in the past 12 months. How is your organization currently utilizing this technology, and what's next?

“ Microsoft’s commitment to transforming Customer Experience (CX) through Artificial Intelligence (AI) is a key part of our overall business innovation strategy. By integrating AI across different areas like Sales, Support, and other functions, we are able to significantly improve and accelerate customer outcomes.

In Sales, AI-powered Copilot data analysis and insight generation have enabled us to improve sales efficiency with less time spent on tedious tasks and more time for higher quality personalized customer interactions. This approach has not only boosted customer engagement and sales but has also introduced more innovative and effective ways to connect with our customers and collaborate with our partners.

In Support, new generative AI-powered Copilot features are focused on helping agents become more knowledgeable, productive and efficient, reducing customer wait times and time-to-resolution and thus boosting customer satisfaction and confidence.

Copilot is also helping to empower our employees across every function of our company to deliver better CX by unleashing their creativity, improving their productivity, and enabling rapid upskilling to provide customers with the subject matter expertise they expect in every engagement with Microsoft.

We are keenly aware of the concerns that are preventing more rapid adoption of AI for CX—like data privacy, security, and ensuring relevance and accuracy—and we’re proactively addressing these concerns. Through rigorous and thorough testing, feedback loops, and adherence to responsible AI standards, we aim to responsibly leverage AI to redefine excellence in customer experience, viewing these challenges as opportunities for further growth and innovation of this transformative technology.

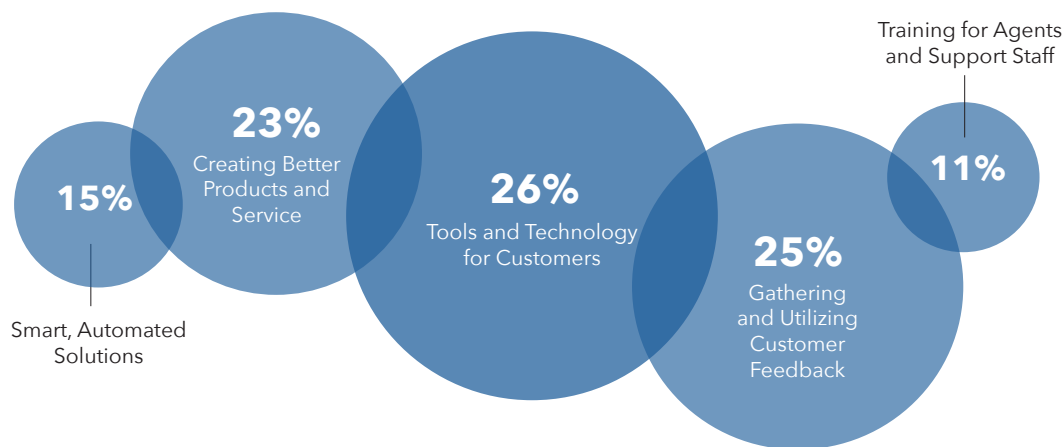


**Elmer Corbin**  
Senior Director, Global Customer Experience  
Microsoft Customer Experience & Success



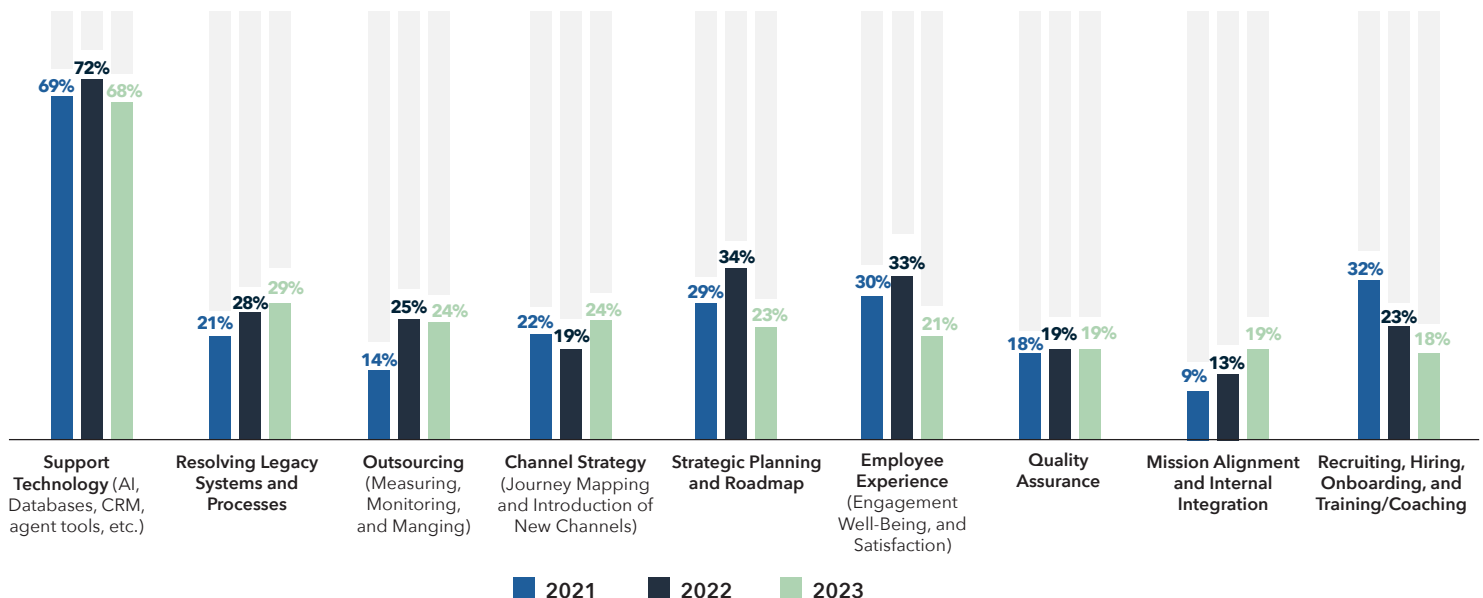
When asked what the single most important area of investment is for improving the experience of customers, there was virtually a tie between “Tools and Technology For Customers,” “Gathering and Utilizing Customer Feedback,” and “Creating Better Products and Services.” Interestingly, only 15% of respondents answered “Smart, Automated Solutions” which, in part, reads as AI for things like back-office automation, agent support (including AI-powered training and agent augmentation), analytics, and more. This begs the question, if only 15% of CX leaders see automation as an important area of investment, yet AI is a top investment (page 70), are priorities properly aligned with actions?

**In your opinion, what is the single most important area of investment for effectively improving the customer experience?**



Not only is AI currently the most common investment among survey respondents (above), it’s also an area where most survey respondents plan to focus in the future. “Resolving Legacy Systems and Processes” was the area of second-most focus, which is sensible, considering legacy systems in the biggest challenge faced by CX leaders (page 52). At the same time, interest in Employee Experience and Strategic Planning and Roadmap saw steep year-over-year drop-offs.

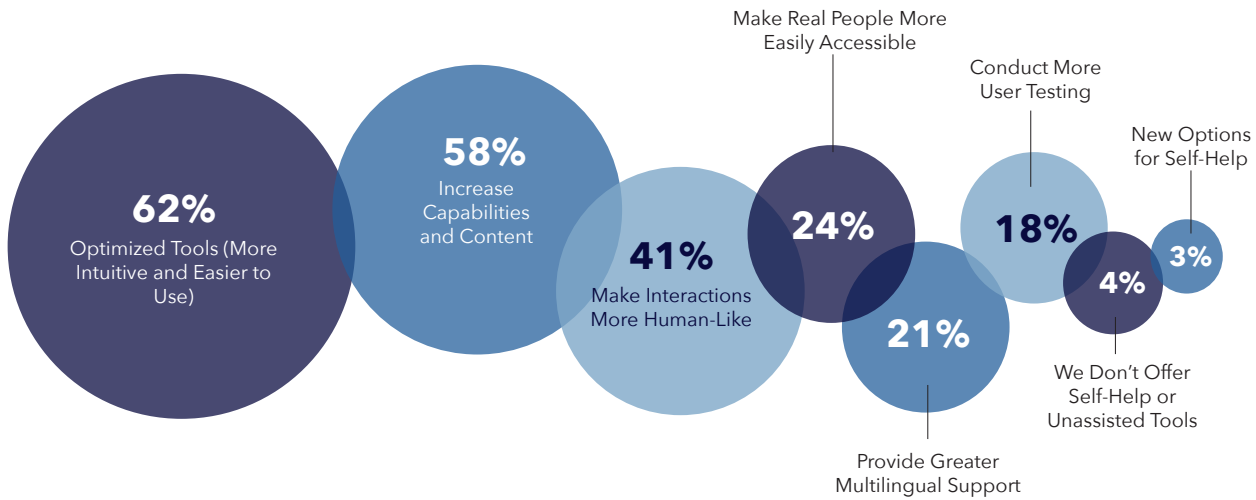
**Which area(s) of your CX program do you expect to receive the most investment and attention from your company in the next 12 months? (Select no more than three answers.)**



## FUTURE PLANS FOR SELF-HELP AND BARRIERS TO DYNAMIC DIGITAL

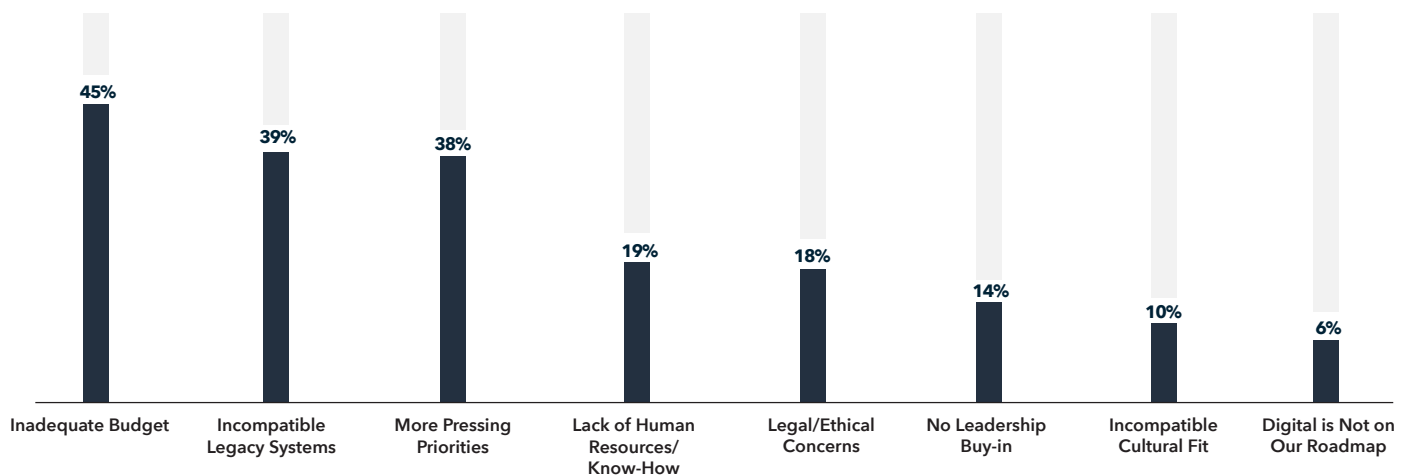
As self-help and unassisted solutions expand their presence, companies should consider operationalizing a process of improvement, particularly when it comes to ease of use and the overall experience. For those that do, the responses below provide a solid roadmap for where to start, with optimization of tools leading the way, followed closely by increasing the capabilities and content of self-help and unassisted solutions. But beyond these starting points, brands might want to consider the experience from their customers’ perspectives, driving at tackling the pain points that affect their specific solutions customers.

**What future plans do you have for your self-help and unassisted tools to make them better, easier, and more enjoyable to use? (Select all that apply.)**



Whenever moving in a new direction, such as implementing a new strategy or program-changing technology, barriers are ever-present. In the new question below, CX leaders point at the specific barriers they face when trying to move their programs toward a more dynamic digital strategy. Not surprisingly, and given the increasing financial pressure, lack of budget tops the list, followed closely by the ever-present legacy issue and more pressing priorities. While these barriers might seem insurmountable, CX leaders must champion the case for a more digitally driven approach to CX if, for no other reason, than to match the changing behaviors and expectations of consumers — especially younger consumers.

**What are the main barriers to enabling a more dynamic digital strategy within your organization? (Select all that apply.)**

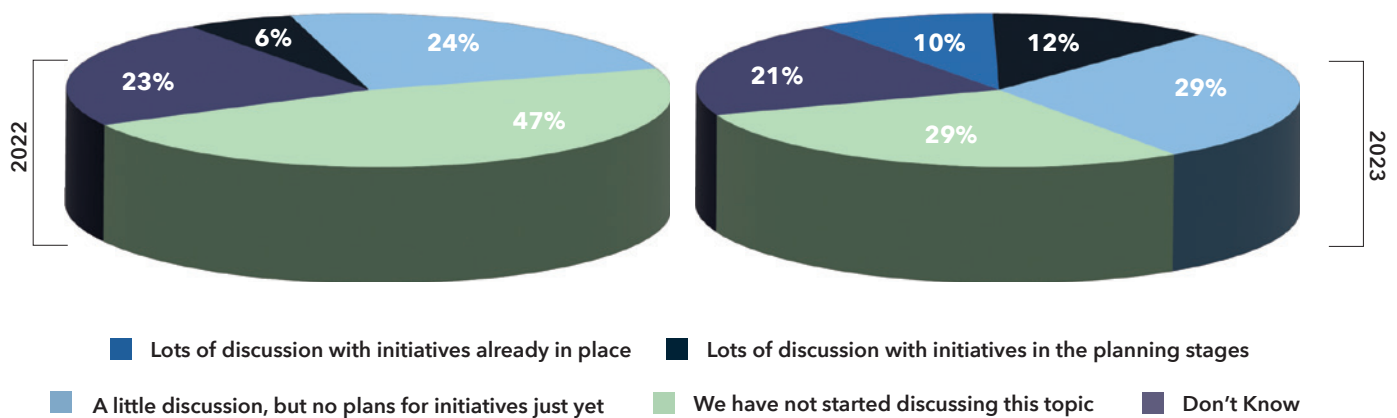


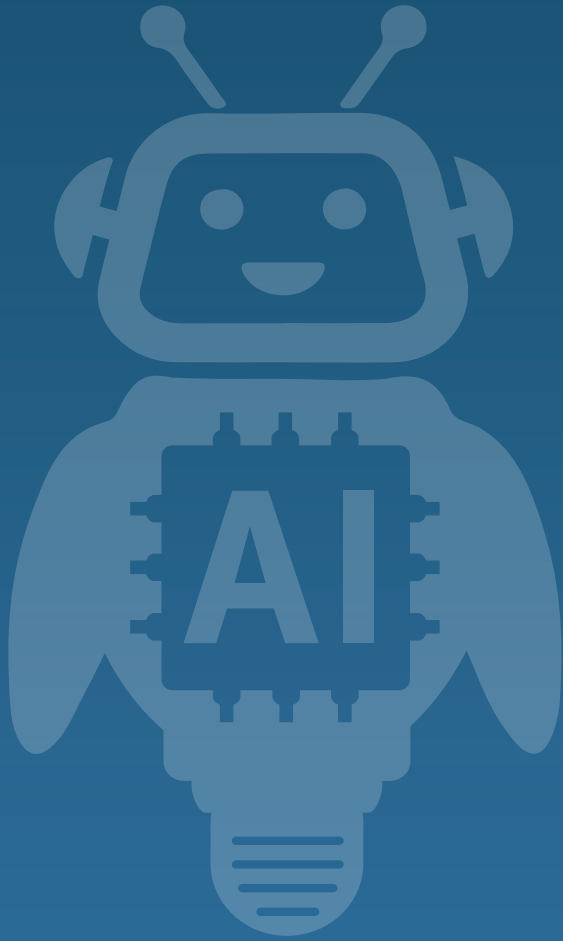
## CX TECHNOLOGY – INVESTMENTS AND COMPETITIVENESS

# METaverse, WEB3.0, NFTS, AND DIGITAL OWNERSHIP

The metaverse, Web3.0, NFTs, and digital ownership stepped a little more into the spotlight in this year's results, with a substantial year-over-year drop in the percentage of companies not yet discussing the topic, falling from 47% to just 29%. This means significantly more companies are discussing and acting on these latest innovations. Furthermore, 10% of survey respondents indicated they already have initiatives in place, with another 12% in the planning stages. These results should serve as a wake-up call for any brands who have not yet had these next-generation platforms hit their radar.

Where is your company in discussing the implications of the metaverse, Web3.0, NFT, and digital ownership?





# ARTIFICIAL INTELLIGENCE

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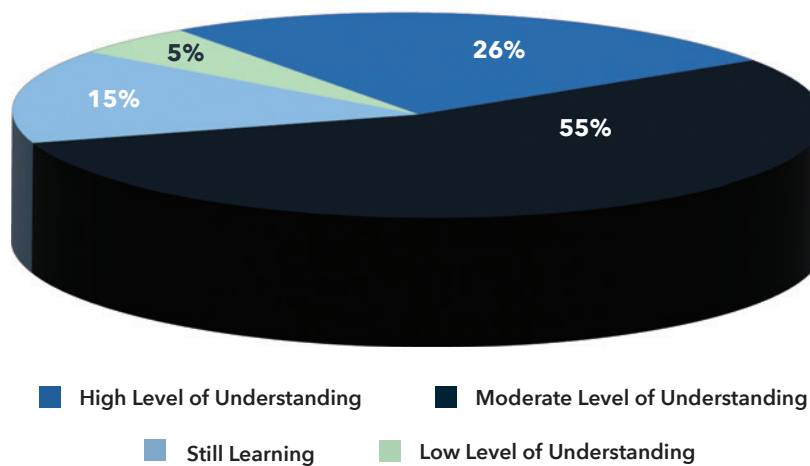


# CX TECHNOLOGY – ARTIFICIAL INTELLIGENCE

## AI UNDERSTANDING AND OWNERSHIP

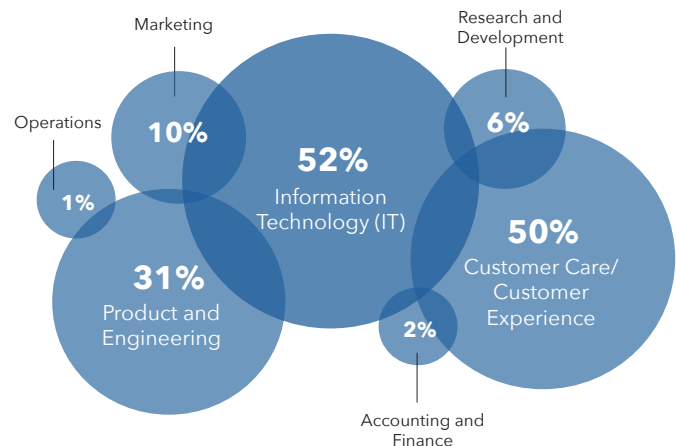
In a new question for this year, CX leaders proclaim a decent amount of knowledge about AI and its offerings, with 81% indicating “High” or “Moderate” levels of understanding. That said, AI for CX is an area most CX leaders want to know more about, especially as it applies to Consumer- and Agent-Facing solutions (page 55). Gathering use case ideas is an excellent place to start, as well as understanding the limitations of the technology, including things like “AI hallucinations,” which are misleading or incorrect content produced by generative AI.

What is your current understanding of AI, AI concepts, and what the technology has to offer your CX operations?



Who owns CX Technology/AI-powered solutions at your organization? (Select all that apply.)

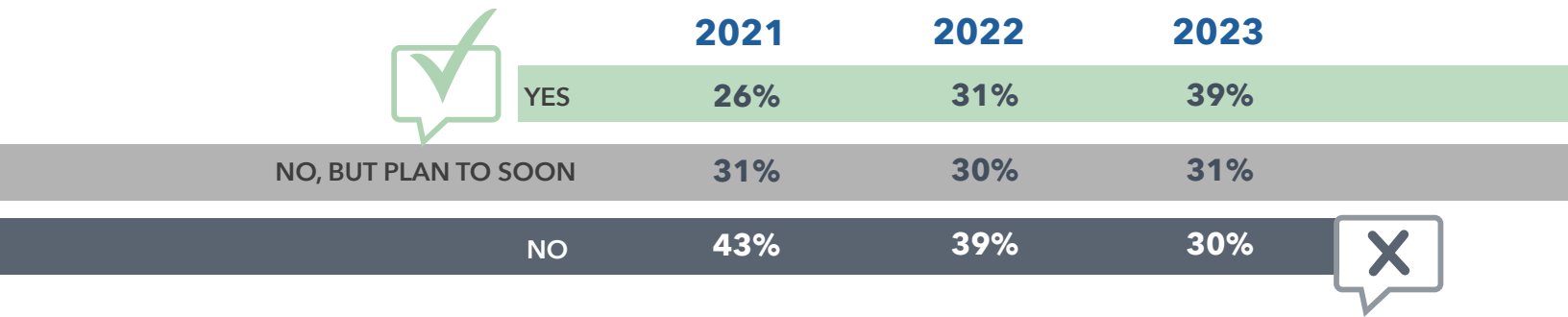
In another new question designed to reveal insights into the internal AI ownership and power structure, there is a near 50/50 split between IT and Customer Care/CX when it comes to CX tech and AI, with IT holding a slight edge. This result illustrates the importance of strong internal partnerships and close collaboration. Every great partnership starts with clearly identifying goals and objectives, as well as clear communication of how each stakeholder is prioritizing the focus and initiatives of said partnership.



# ARTIFICIAL INTELLIGENCE FOR CONTACT CENTERS

The percentage of companies utilizing AI within their contact center organizations continue to track upward, with 49% indicating its current use, and another 31% indicating its impending use. While it’s difficult to fully comprehend the impact of AI on things like program performance, efficiency, and quality, it’s safe to say AI is setting itself up to be a game-changer. Presumably, brands that have not yet moved to implement (or at least thoroughly understand) will be at a competitive disadvantage. And since AI is a technology that can iterate upon itself, playing catchup is likely a difficult proposition in which to execute successfully.

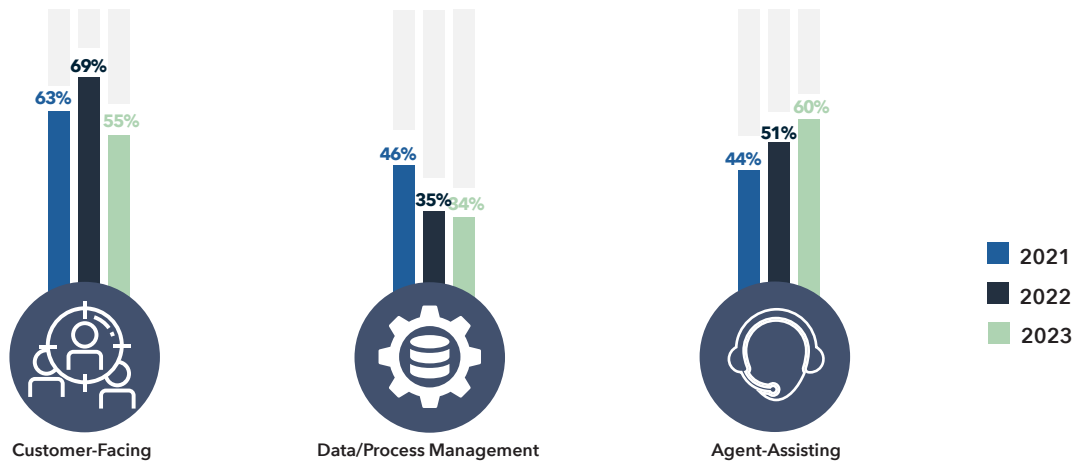
Has your company applied the use of artificial intelligence (AI) within your contact center organization?



# AI APPLICATION AND CHANNEL DEPLOYMENT

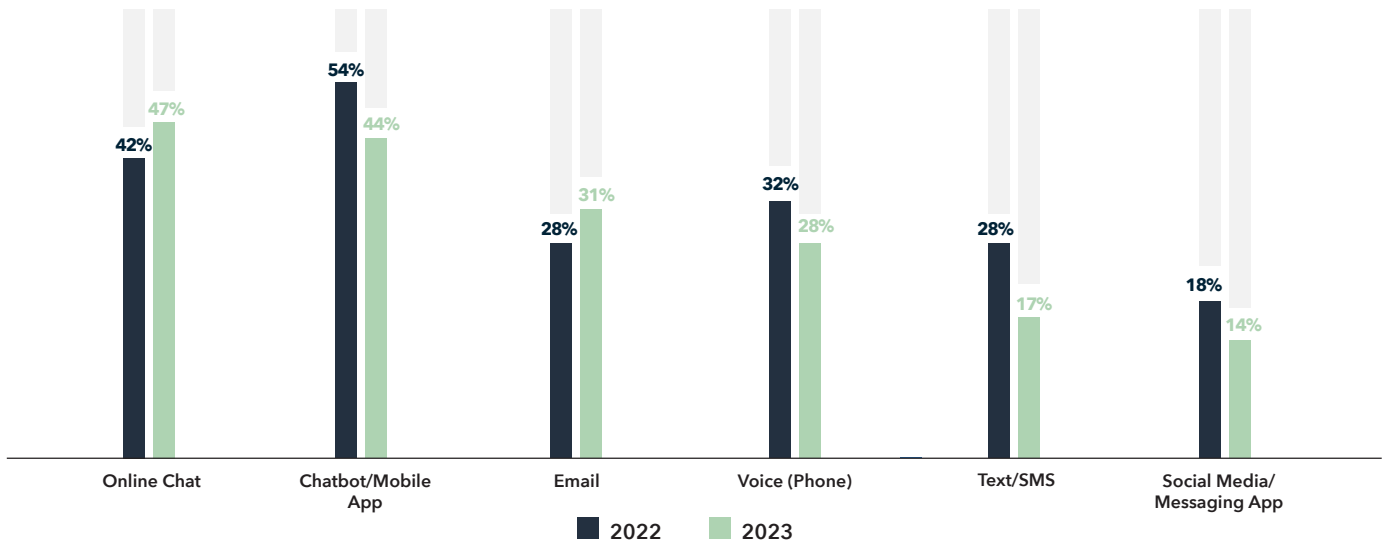
While AI-powered solutions have traditionally leaned toward Customer-Facing solutions (think chatbots or virtual assistants), results from this year suggest the balance of use now leans toward Agent-Assisting applications. Agent augmentation, simulated training, and automated ticket management are just a few of the ways AI is empowering agents to be more productive and higher performing. Use of such solutions are only expected to grow, especially as organizations look to do more with less due to an uptick in hiring freezes and layoffs which are affecting a wide range of industries (page 14).

How would you describe the specific application(s) of your AI-powered solutions? (Select all that apply.)



Among the companies currently deploying customer-facing AI solutions, its use is most prevalent in exactly the channels one might expect to find it; namely, Online Chat and Chatbot/Mobile App. AI-powered solutions also saw a pullback in several solutions types, including Chatbot/Mobile App and Text/SMS. Although the exact cause of the pullback is unclear, it may be that brands are placing more focus on agent-assisting solutions, or it may be that companies are reiterating on previously released solutions as ChatGPT and other AI-powered tools achieve release of new generations of the technology.

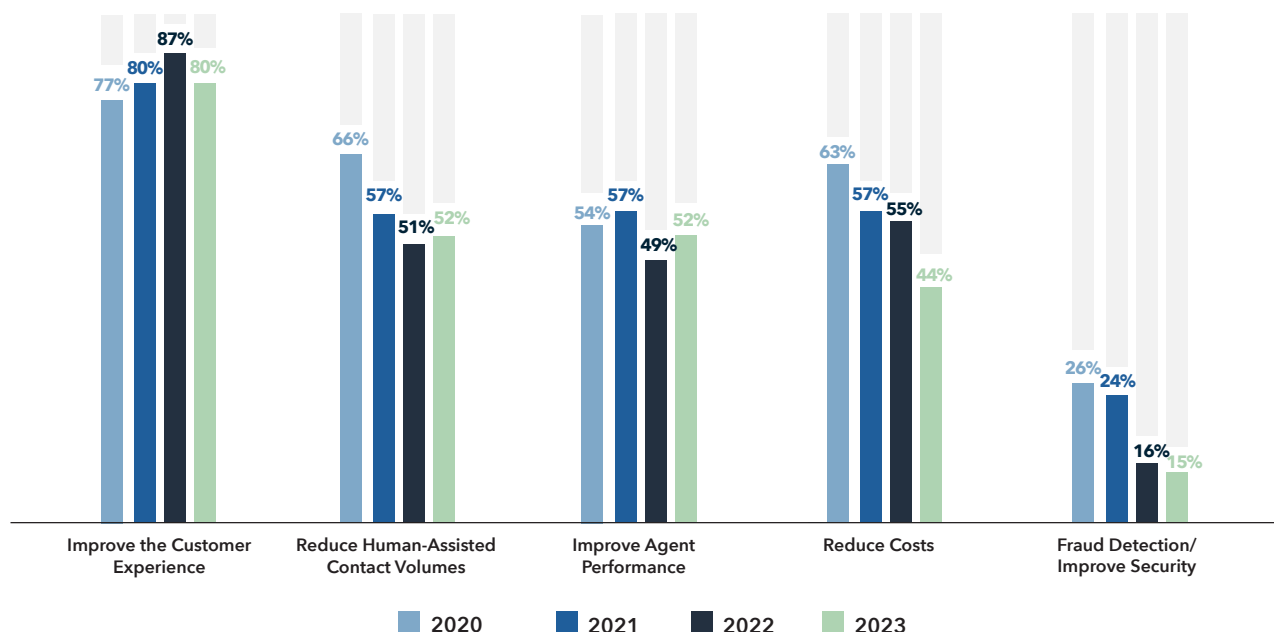
In which specific channels are you deploying customer-facing or customer-supporting AI-powered solutions? (Select all that apply.)



## OBJECTIVES FOR AI

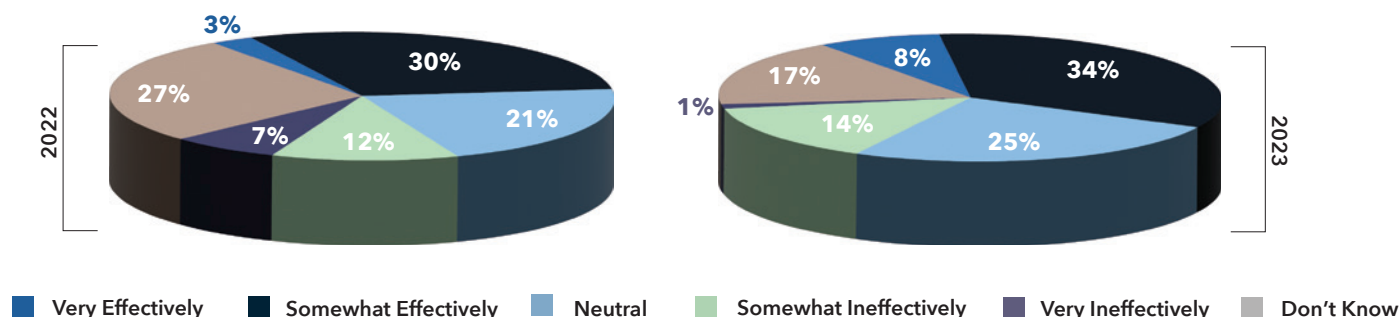
Use of AI hasn't swayed off the primary objective first identified in 2019 — that is, "Improve the Customer Experience." This is good news for consumers because it means that they are still at the center of program innovation. One objective CX leaders should consider more closely is "Reduce Human-Assisted Contact Volumes." While it does make sense to automate simple transactions, CX leaders should also consider that many consumers still want the high-touch experiences of interacting with a human. Explore this perspective in greater depth by checking out page 88 in the Consumer Comparisons section.

Which objectives are you primarily trying to accomplish with your use or future use of AI-powered solutions? (Select all that apply.)



In the second year of asking the below question, results not only suggest that CX programs are getting better at meeting their objectives for AI use (42% effective versus 33% last year), but CX leaders are also better informed about how effective they are in meeting those objectives. Year-over-year, there was a 10-point drop in the percentage of CX leaders who didn't know how effective they were at meeting their objectives, from 27% to 17%. This is likely the result of more/better monitoring of AI-powered solutions, and well as increased focus on results, as investments are undergoing greater scrutiny due to deepening uncertainty around economic conditions.

How effective are you in meeting your objectives with your use of AI-powered solutions?

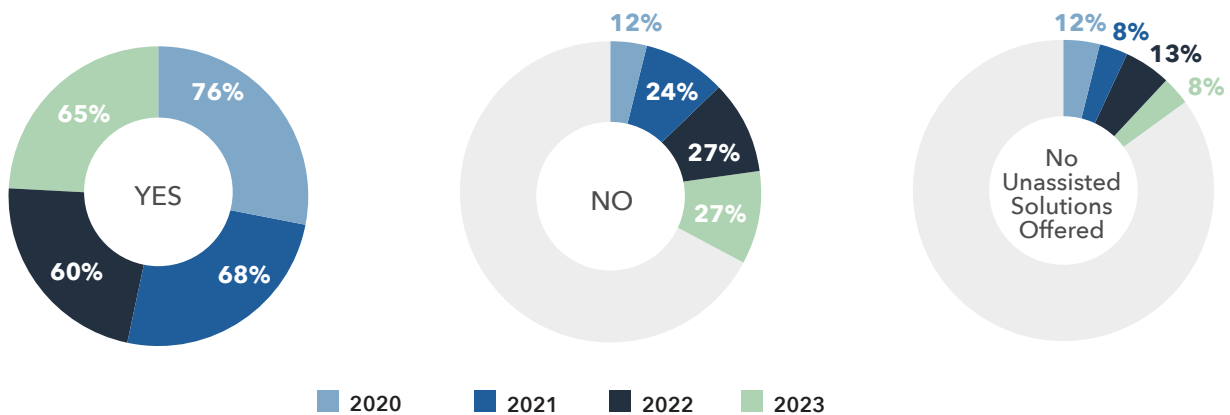


## CX TECHNOLOGY – ARTIFICIAL INTELLIGENCE

# IMPROVING UNASSISTED RESOLUTION RATES

After two years of steady decline, the percentage of organizations with specific initiatives to increase the resolution capabilities of unassisted solutions ticked up year-over-year. This is notable, as one of the most common complaints among consumers when it comes to unassisted solutions is the inability of those solutions to solve a wide enough range of issues. When consumers are used to running into roadblocks using unassisted solutions, their inclination will be to seek out a human agent as a first step. The goal for unassisted solutions should be equivalency to assisted solutions in terms of what can be solved for, as well as how quickly and easily.

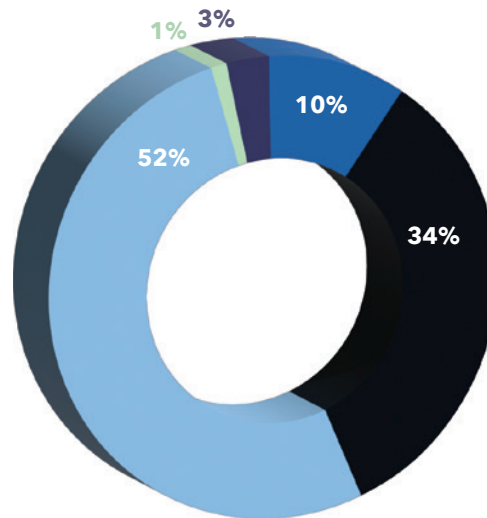
Does your organization have any specific initiatives to increase the resolution capabilities of your unassisted solution(s)?



# CUSTOMER ADOPTION AND IDENTIFYING NON-HUMAN SOLUTIONS

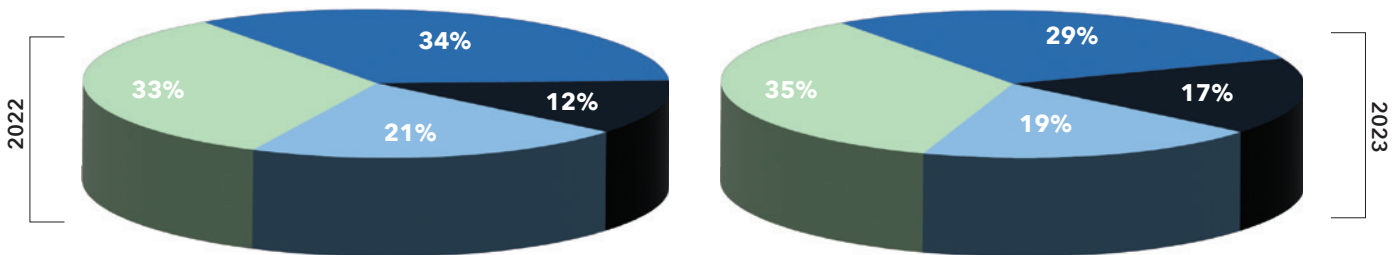
It is well understood that many organizations are diving headlong into the deep end of the AI pool, but what about consumers? In a new question designed to describe consumer adoption and acceptance of AI-powered solutions, it's clear there is an acceleration in consumer adoption. Naturally, this data will become more insightful with additional data points. But at face value, it appears many consumers are ready to embrace AI, which puts extra pressure on organizations to make sure their customers' initial experiences with AI are easy, quick, and positive.

How would you describe your customers' acceptance and adoption of AI-powered solutions over the past 12 months?



■ Greatly Increased   ■ Somewhat Increased   ■ Neutral/Unchanged   ■ Somewhat Decreased   ■ Greatly Decreased

In utilizing a customer-facing AI-powered solution, do you clearly identify the solution as non-human at the start of an interaction?



■ Yes   ■ In Some Solutions, But Not All   ■ No   ■ Don't Know/Decline to Answer

# CONCLUSIONS: CX TECHNOLOGY

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## Key Findings:

- » Seventy-three percent of organizations are currently investing in AI for their CX operations, up from 48% year-over-year (page 70)
- » Forty-five percent of CX leaders are either “Very Satisfied” (8%) or “Satisfied” (37%) with their CX tech stack, up from a combined 31% year-over-year (page 68)
- » The three biggest barriers to enabling a more dynamic digital strategy within organizations is “Inadequate Budget” (45%), “Incompatible Legacy Systems” (39%), and “More Pressing Priorities” (38%) (page 72)
- » Ownership stake of CX Technology/AI-powered solutions at organizations is a virtual tie between IT (52%) and Customer Care/CX (50%) (page 75)

Investment in AI-powered solutions was up significantly year-over-year, with more than three-fourths (78%) of the organizations that participated in surveying currently investing in AI in support of their CX operations. Interestingly, the investment balance has, for the first time, shifted toward agent-facing solutions. While 55% of organizations had AI investments that included customer-facing solutions, 60% had investments that included agent-facing solutions. Agent-facing AI solutions include things like simulated training, active knowledge base guidance, content generation, and ticket management automation.

Survey participants’ satisfaction with their CX technology stacks has also risen sharply year-over-year, with almost half (45%) of CX leaders being either “Very Satisfied” or “Satisfied,” compared with a combined 31% in last year’s results. This is likely due to greater investment in things like AI, cloud, and digitization, but clearly, there is a lot more to be done for CX leaders to feel good about the technology that powers their operations. Unfortunately, improvements are hard to come by without investment dollars. In addition to making the strongest case possible for greater investment in CX tech, CX leaders can work on strengthening their working relationship with IT, which likely has a strong ownership stake in any new technology that comes into the fold.

Like consumers, CX leaders are, in many ways, learning as they go when it comes to AI-powered technology. Not only are CX leaders seeing increased acceptance of AI-powered solutions among their customer base (page 80), there are indications that contact center leaders are getting more effective at meeting their objectives for this technology. In fact, in last year’s surveying, 33% of CX leaders felt they were either “Very Effective” or “Somewhat Effective” in meeting their objectives for AI-powered solutions, with that number increasing to 42% in the most recent surveying.

# CONSUMER COMPARISONS



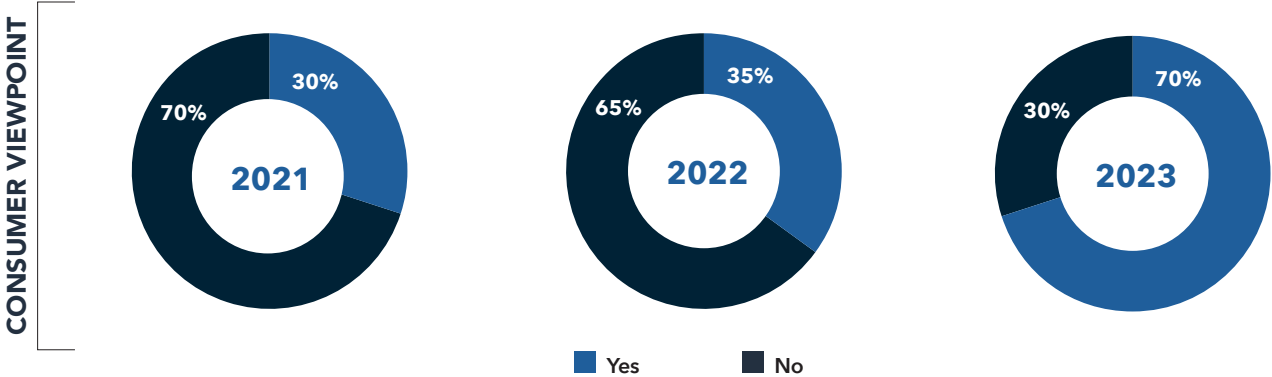


# CONSUMER COMPARISONS

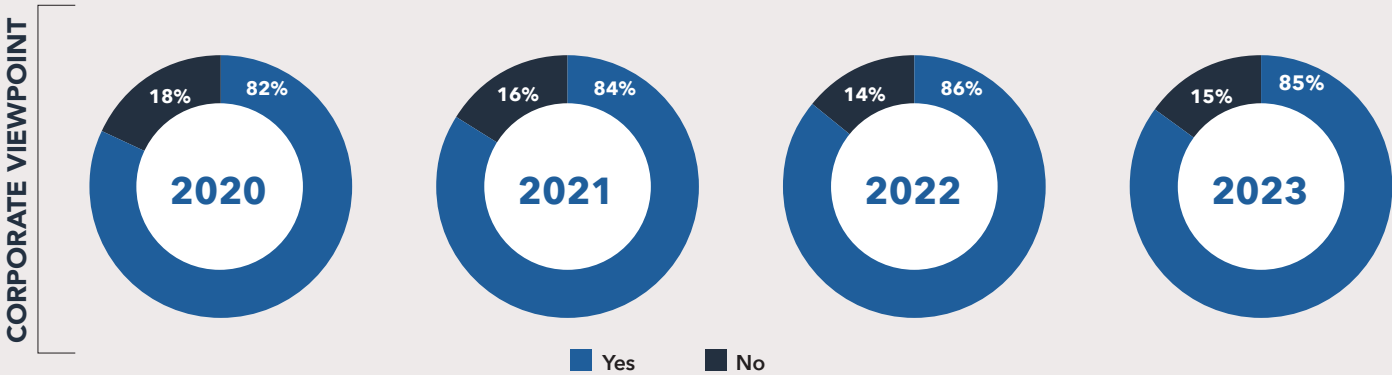
## MEETING NEEDS AND EXPECTATIONS

In 2023, the surveying tool used for CX Leaders Trends & Insights consumer-based research pivoted from Google's Consumer Survey platform to SurveyMonkey due to Google sunsetting their platform. The shift had very little impact on most results, save a handful, including the below result. Even with an inverting of results, CX leaders continue to perhaps overestimate their ability to meet the customer service needs and expectations of consumers. A potential remedy might be to better understand those needs and expectations through better analysis and utilization of program data, as well as a direct dialogue with customers.

Do you feel that the customer care departments of today's companies are generally meeting your customer service needs and expectations?



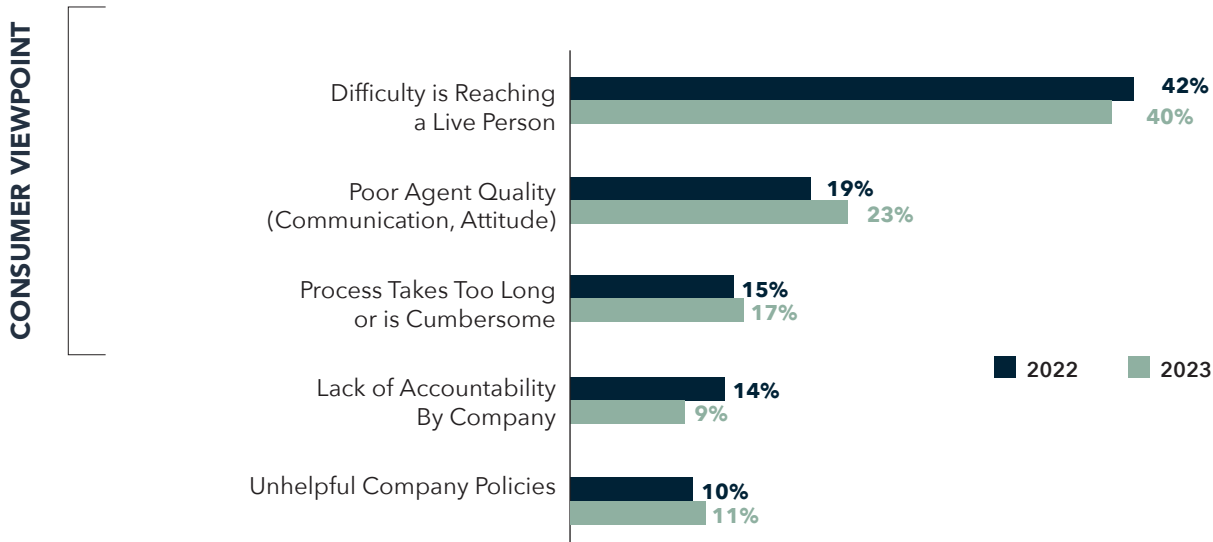
Do you feel your customer care organization is generally meeting the needs and expectations of your customers?



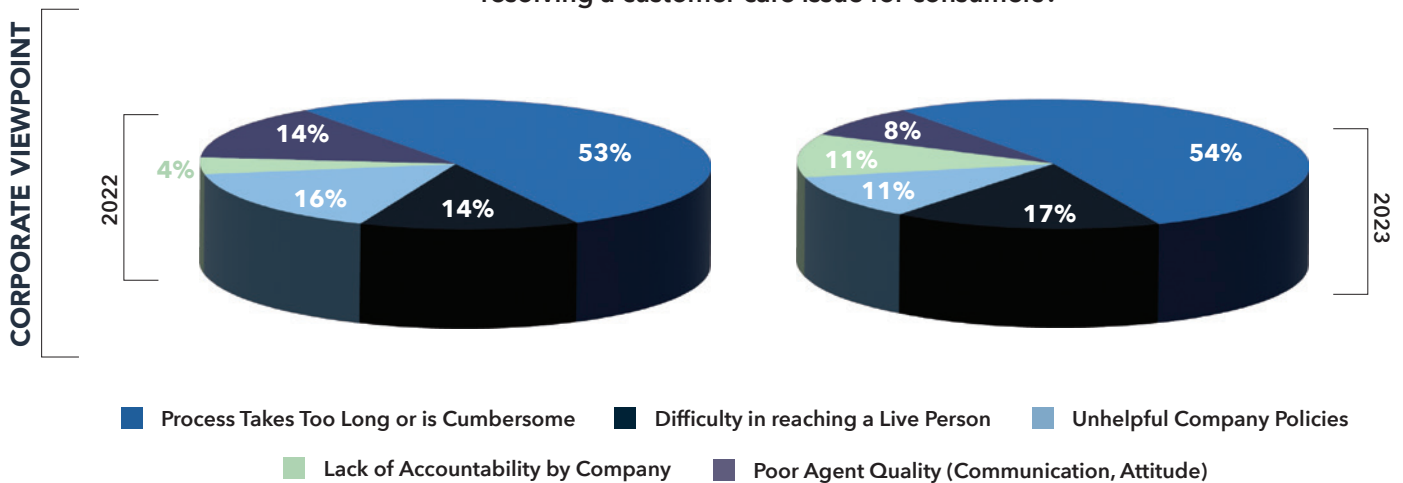
# MOST FRUSTRATING ASPECT OF CARE

In one of the more persistent disconnects between consumers and corporate viewpoints, CX leaders continue to assume the most frustrating aspect of care for consumers is the time and effort it takes to resolve an issue. In truth, difficulty in reaching a live person is by far the most frustrating aspect for consumers, while being heavily discounted by CX leaders. Although demographics play a big role in what frustrates consumers, especially in terms of reaching live assistance, the inability to reach a live person does impact all consumers, especially in a world where unassisted solutions are not always as well positioned to handle as wide a variety of issues as assisted solutions.

What do you find to be the most frustrating aspect of resolving a customer care issue with a brand?



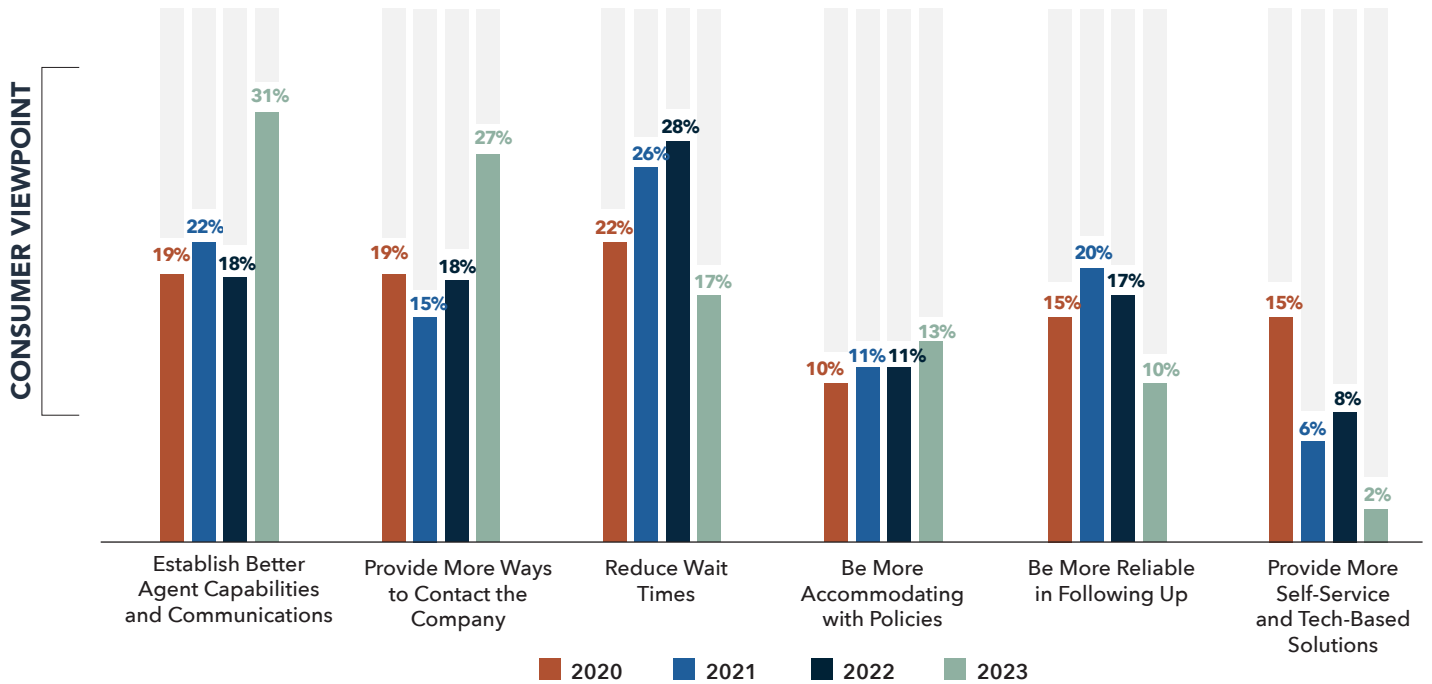
What do you think is the most frustrating aspect of resolving a customer care issue for consumers?



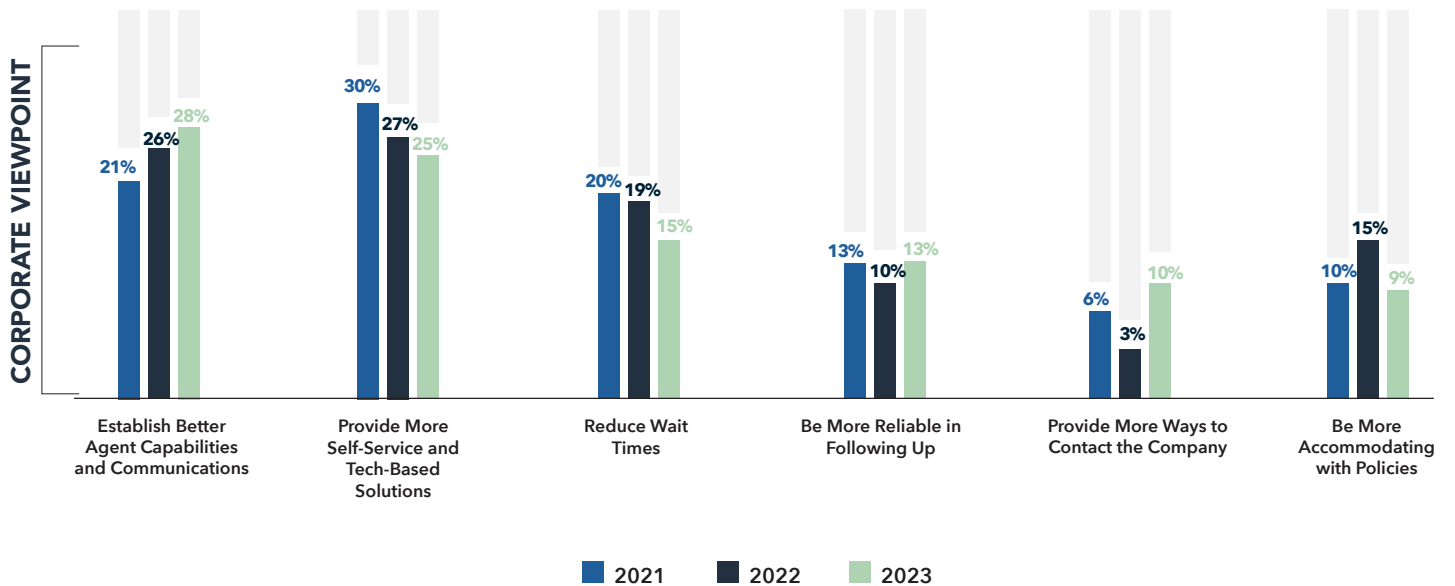
# MAKING RESOLUTIONS AS EASY AS POSSIBLE

While CX leaders are on target in speculating that consumers want to see better agent capabilities and communication skills, they are misguided in their estimation that consumers desire more self-service and tech-based solutions. Along with higher quality agents, consumers are actually looking for more ways to contact a company. Although this could imply more self-service solutions, in reality, it probably points to more assisted options, especially given the results on the previous page which point to difficulty in reaching a live person as the top frustration among consumers.

What can brands do differently to make the resolution process as easy as possible?



What do you think consumers want brands to do to make the resolution process as easy as possible?



# THE IMPACT OF PROACTIVE FOLLOW-UPS ON POOR EXPERIENCES

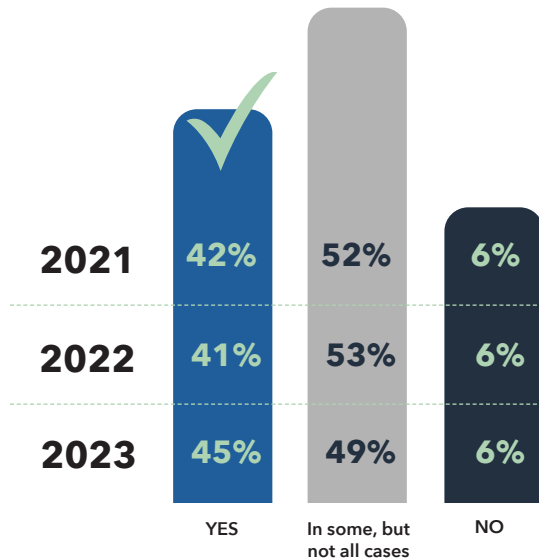
Although 2023 data is an outlier, the impact on future purchase intent is typically mitigated in some way when consumers receive a proactive follow-up after having a negative experience. This is worth understanding, especially for nearly 50% of brands that don't currently commit themselves to proactive follow-ups in all cases of a negative experience. Not only are proactive follow-ups a great way to turn around the experience of customers on a case-by-case basis, it is also an excellent way to identify and begin to correct systemic issues and/or process gaps.

CONSUMER VIEWPOINT

Cross-comparison of consumers who indicated the poor experience will have a negative impact on future purchase decisions based on how they responded to receiving a follow-up:

	2021	2022	2023
Among those who received a follow-up	74%	58%	88%
Among those who did not receive a follow-up	84%	84%	84%

CORPORATE VIEWPOINT

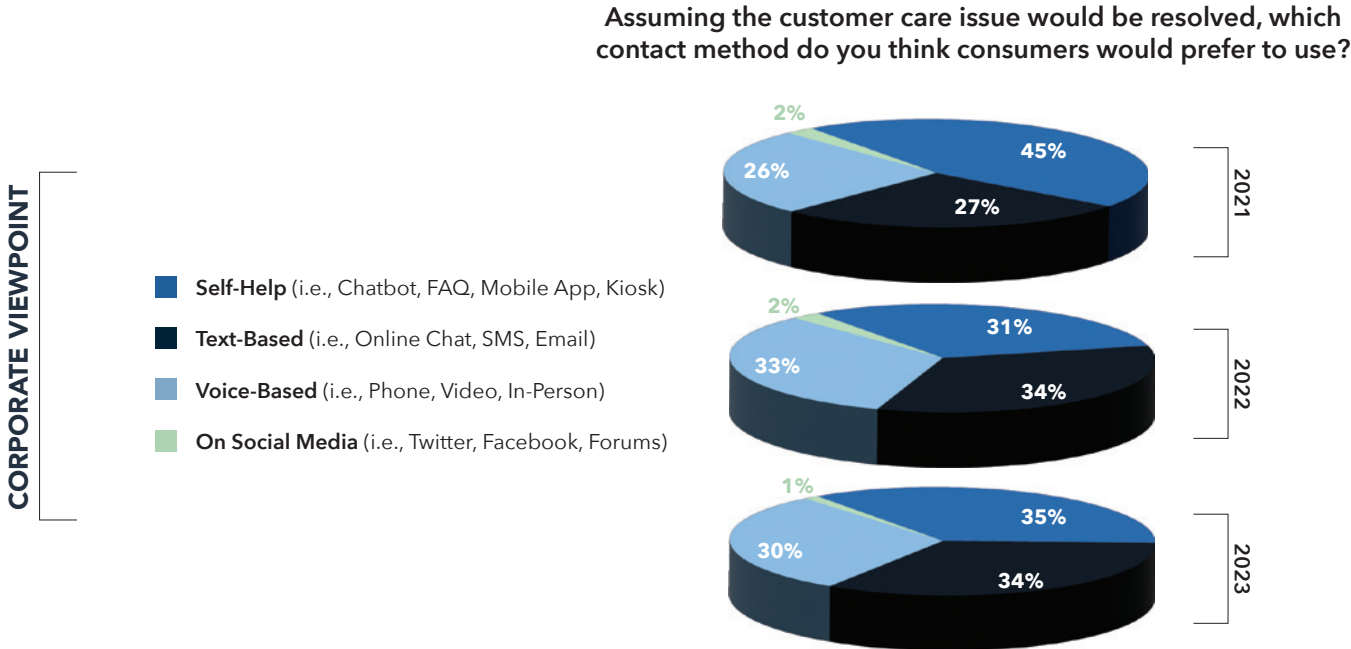
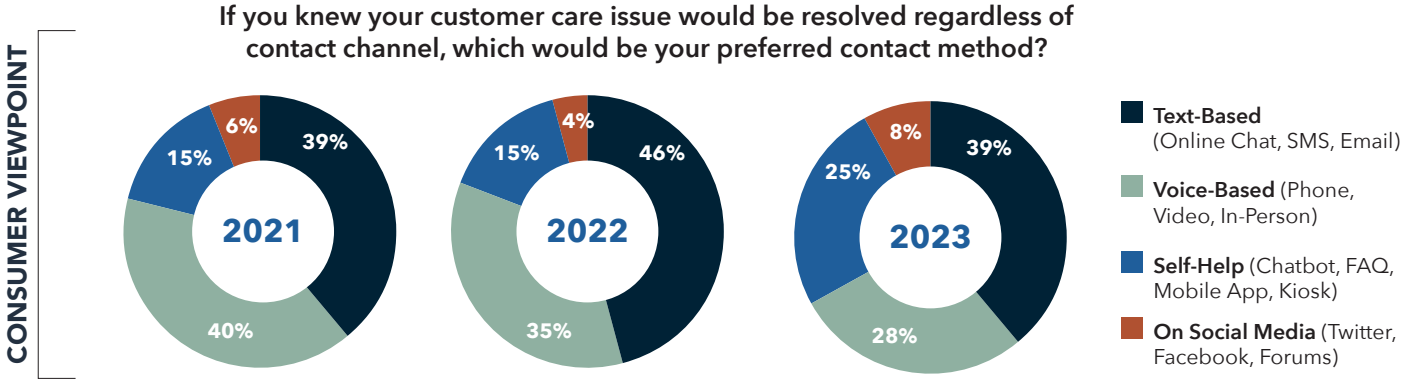


Following a negative customer-care experience, does your organization proactively follow up with customers to help remedy or apologize for the situation?

# CONSUMER COMPARISONS

## PREFERRED CHANNELS OF CARE

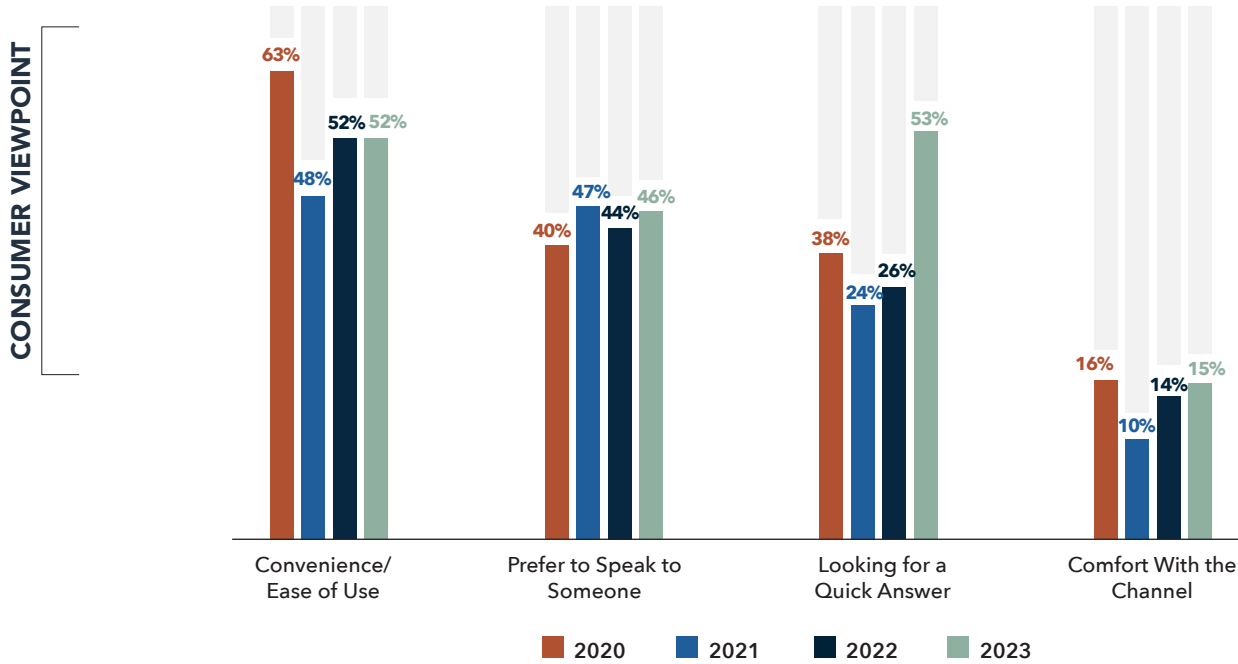
CX leaders continue to feel Self-Help is the solution most preferred by consumers, but in truth, consumers continue to look to Text- and Voice-Based solutions ahead of Self-Help. Although the percentage of consumers who prefer Self-Help over all other channels has grown (up 10 points from 2022 to 2023), these results are heavily impacted by demographics. In fact, in 2023, 33% of those ages 18 to 29 indicated they preferred Self-Help solutions, while only 13% of those ages 60 and above indicated they preferred Self-Help solutions. Truly, channel preferences are heavily dependent upon a brand's specific customer base.



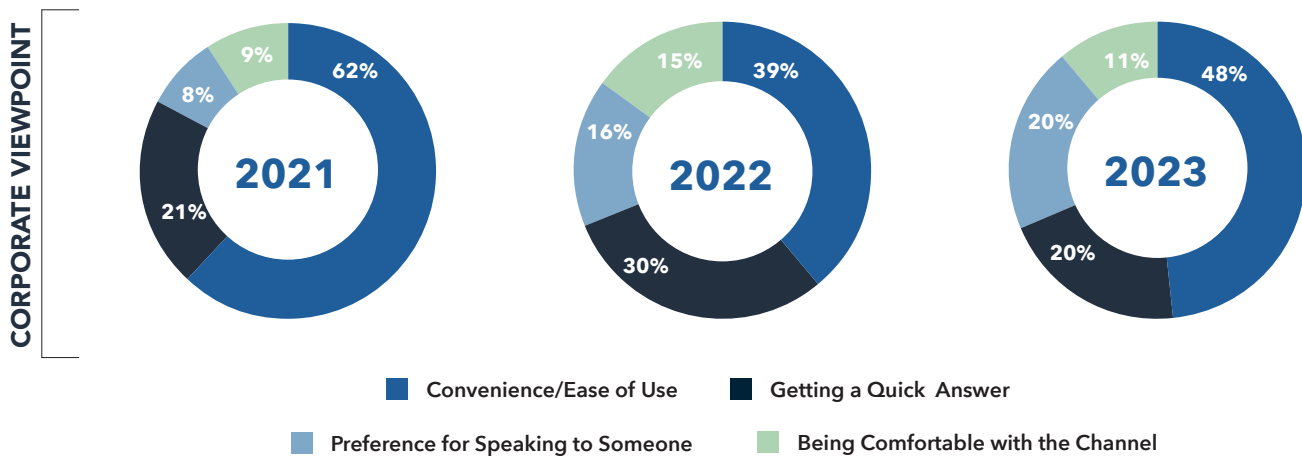
# FACTORS DETERMINING CHANNEL PREFERENCE

The consumer version of the below data point is framed as a “Select all that apply” question, but results make it clear that consumers are driven by several factors in determining their preferred channel of care. While “Looking for a Quick Answer” is a leading factors it’s nearly matched by “Convenience/Ease of Use” and “Prefer to Speak to Someone.” While CX leaders appreciate the influence of “Convenience/Ease of Use,” they are perhaps selling short the other factors that drive consumer channel preference, and this could be negatively impacting the experience of their customers.

What are the biggest factors in determining your preferred channel of care?  
(Select all that apply.)



What do you think is the biggest factor in determining the contact method preferences of consumers?



# THE IMPORTANCE OF PASSIONATE AGENTS

Consumers and CX leaders are somewhat aligned in appreciating the importance of agents being passionate about the brands they represent. In 2023, 68% of consumers either strongly or somewhat agree that agent passion for the brands they represent were important, while 88% of CX leaders felt their customer would either strongly or somewhat agree. Agents that are passionate about the brands they represent are more engaged, have lower attrition rates, higher rates of product/service knowledge, and are more likely to create a positive experience for customers.



How do you feel about the following statement: It is important for customer care agents to be very passionate about the brands they represent.

CONSUMER VIEWPOINT

	2022	2023
Strongly Agree	31%	34%
Somewhat Agree	27%	34%
Neutral	28%	25%
Somewhat Disagree	9%	5%
Strongly Disagree	5%	2%

In your opinion, how do you think YOUR Customers feel about the following statement: It is important for customer care agents to be very passionate about the brands they represent.

CORPORATE VIEWPOINT

	2022	2023
 Strongly Agree	47%	58%
Somewhat Agree	42%	30%
Neutral	11%	9%
Somewhat Disagree	0%	3%
 Strongly Disagree	0%	0%

# ABOUT Execs In The Know

Execs In The Know brings together customer experience (CX) leaders from across industries in an effort to advance the conversation and set a new agenda for delivering amazing experiences for consumers. As a global community of the brightest minds in CX, Execs In The Know provides opportunities to learn, share, network, and engage to innovate. Operating under the motto, “Leaders Learning From Leaders,” Execs In The Know facilitates many opportunities for community engagement, such as its bi-annual national Customer Response Summit and private online community, Know It All “KIA.” There are also exclusive, laser-focused engagements like industry briefings and executive roundtables. Execs In The Know also guides and informs the industry with a rich tapestry of CX-related content that includes *CX Insight* magazine, industry research, webinars, blogs, and much more.

Learn more about Execs In The Know at [execsintheknow.com](http://execsintheknow.com).



# ABOUT TELUS International

TELUS International (NYSE & TSX: TIXT) designs, builds and delivers next-generation digital solutions to enhance the customer experience (CX) for global and disruptive brands. The company's services support the full lifecycle of its clients' digital transformation journeys, enabling them to more quickly embrace next-generation digital technologies to deliver better business outcomes. TELUS International's integrated solutions span digital strategy, innovation, consulting and design, IT lifecycle, including managed solutions, intelligent automation and end-to-end AI data solutions, including computer vision capabilities, as well as omnichannel CX and trust and safety solutions, including content moderation. Fueling all stages of company growth, TELUS International partners with brands across strategic industry verticals, including tech and games, communications and media, ecommerce and fintech, banking, financial services and insurance, healthcare, and others.

TELUS International's unique caring culture promotes diversity and inclusivity through its policies, team member resource groups and workshops, and equal employment opportunity hiring practices across the regions where it operates. Since 2007, the company has positively impacted the lives of more than 1.2 million citizens around the world, building stronger communities and helping those in need through large-scale volunteer events and charitable giving. Five TELUS International Community Boards have provided \$5.4 million in funding to grassroots charitable organizations since 2011.

Learn more about TELUS International at [telusinternational.com](https://telusinternational.com).



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