

Technological and management
trends shaping the future of
c u s t o m e r
e x p e r i e n c e

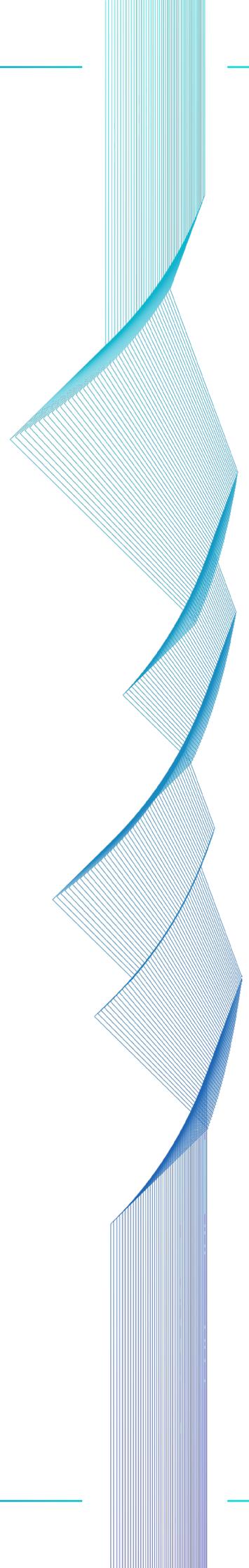


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Introduction: the role of Customer Experience in business growth

Nowadays, when consumers expect more than great products, attractive prices, and compelling advertising, an exceptional Customer Experience (CX) can make a difference, enabling enterprises worldwide to deliver cutting-edge advantages.

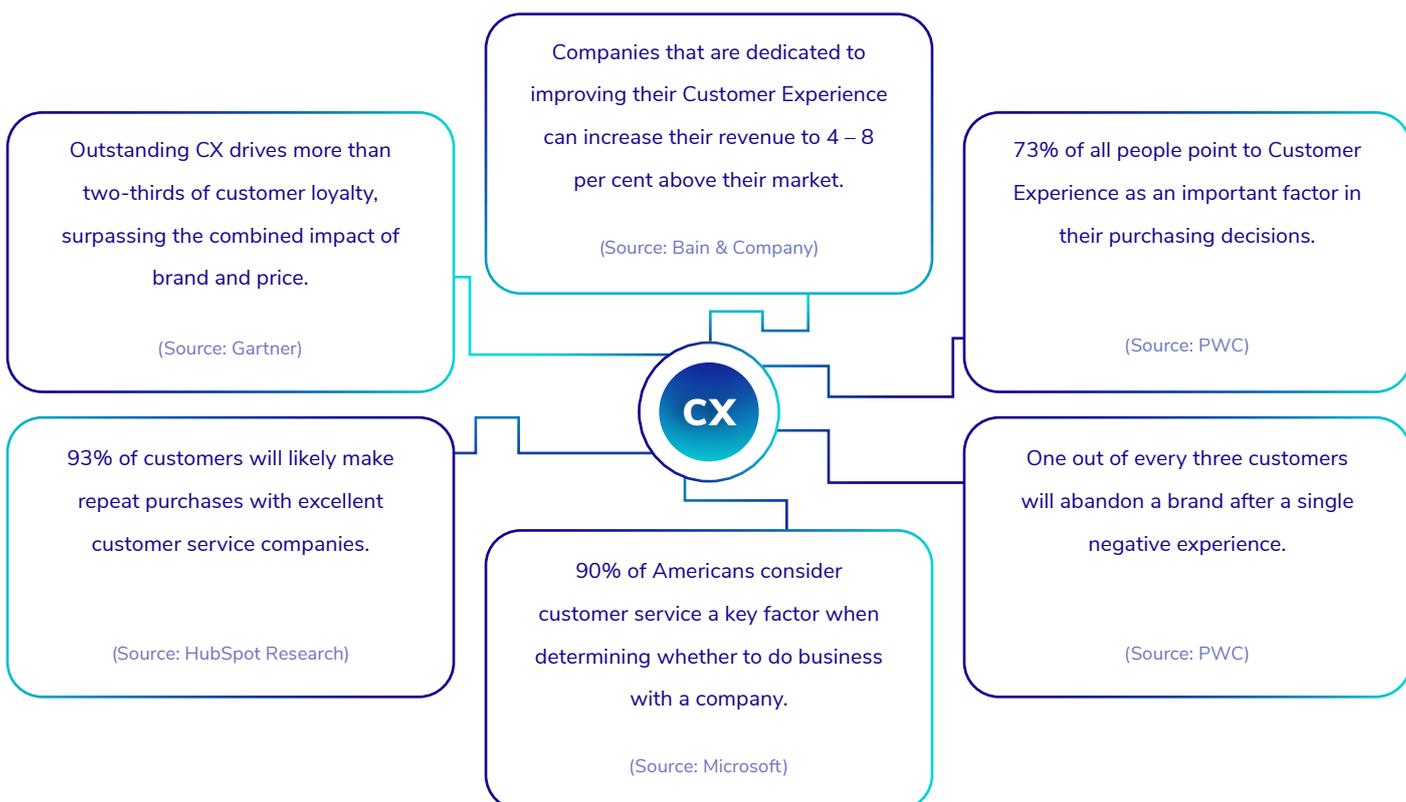
The global business landscape is marked by complexity, dynamism, intense competition, and constant change. It primarily pertains to shifting consumers' behaviours and preferences driven in the last couple of years by economic and political instability, such as the rise of inflation, pandemic restrictions, international conflicts or climate changes. Additionally, there has been an ongoing social transformation, first and foremost, empowered by the technological revolution covering artificial intelligence, augmented and virtual reality or the metaverse.

Buyers are inevitably evolving with the combination of these variables and the richness of goods and services available. They are growing increasingly demanding, less brand-loyal, price-conscious, busier, and experiencing greater confusion than ever in traditional brick-and-mortar stores and the digital marketplace. Catering to their needs has become a complex endeavour, demanding a refined level of expertise, skill, and a sophisticated approach akin to an art form.

"Can you imagine losing one-fifth to one-third of your customers in a single day? Lost. For good. That is what could happen after just one bad Customer Experience with your product or brand". This excerpt comes from the PWC report titled "Experience is everything". According to the document, "Even if people love your company or product, in the U.S., 32% of all consumers would stop doing business with a brand they previously cherished after one bad experience". To mitigate this problem, PWC further suggests, "There is a formula for getting it right to unlocking revenue opportunities through better experience". It refers to the mix of technology, adopting the right culture, finding new ways of working, empowering talent, human interactions, and many more.

This approach forms part of a well-crafted, efficiently managed, technologically enhanced, and regularly modernised Customer Experience strategy, helping to attract and retain selective consumers, foster long-term loyalty, and drive sustained revenue growth.

When valued, treated with respect and provided with exceptional care and understanding, buyers are more likely to do business with a company, repeat purchases, become committed brand enthusiasts and share positive opinions with others. This can be corroborated by the following statistics:



Therefore, the power of Customer Experience lies in shaping consumers' views of a company or brand across different markets, channels, and touchpoints, with emotions playing a pivotal role. A good example is the Cambridge Dictionary's definition of CX as "The way someone feels at all stages of doing business with a company or organisation".

Accordingly, the more rewarding, consistent, supportive, and positive each step of a customer journey is, the greater the potential for higher sales and an improved brand reputation. Achieving this, however, requires companies to invest in designing and delivering exceptional experiences that truly resonate with consumers and continually increase their engagement. As McKinsey says, "Customer Experience transformation isn't about playing fast and hard. Businesses need to manage it systematically to succeed in the long game. Doing it well is a game changer, so over 70 per cent of senior executives rank CX as a paramount priority for the coming years".



Cutting-edge technologies and management strategies currently influencing the future of CX

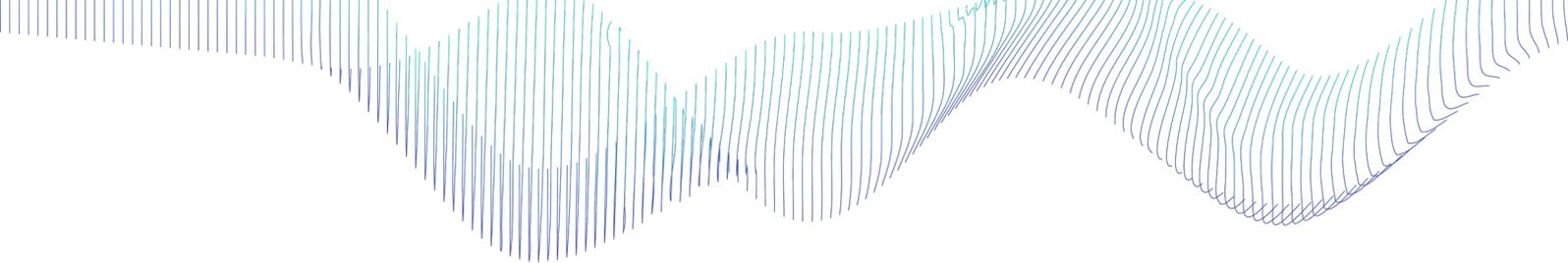
Enhancing the most critical aspects of business operations - technology and well-crafted management strategies - can help companies maintain their competitive edge in Customer Experience.

On the one hand, technology is an enabler for improving and streamlining customer interactions. On the other hand, relevant strategies help establish consistency and quality in the CX processes, ensure they are executed effectively, and follow the company's values and standards regarding the Customer Experience approach.

By developing groundbreaking tech innovations and adopting emerging leadership management, companies can facilitate CX processes, speed up interactions, improve efficiency, and overcome challenges related to Customer Experience, such as personalisation, omnichannel integration, or data management issues. Doing this will strengthen the capacity to enhance buyers' interactions, leading to increased loyalty, satisfaction, and, ultimately, business success.

How to achieve these goals? Finally, it depends on the company's willingness and ability to prioritise CX development, invest in the right technology and infrastructure, embrace change, and foster a customer-centric culture that puts the customer at the heart of everything they do.

Let's examine the most significant scenarios and explore the present disruptors, likely affecting CX's future. By adapting and preparing for these changes, businesses worldwide can stay competitive and relevant in the constantly evolving customer experience landscape.



Enabling hyper-personalisation

AI-driven personalisation engines, sentiment and predictive analysis, customer segmentation tools, voice assistants and chatbots

Promoting an omnichannel approach

Multi-channel Customer Relationship Management (CRM) software integrated with data analytics tools, marketing automation and communication platforms

Automation powered by AI

Artificial Intelligence (AI), Machine Learning (ML) and Natural Language Processing (NLP)

Ensuring data privacy and protection

Data protection measures include the physical and digital systems that store and process data, such as encryption algorithms, multi-factor authentication, and secure data storage protocols.

Entering virtual spaces

Metaverse, Augmented and Virtual Reality

Providing empathy and compassion

Emotional Intelligence augmenting technology, such as AI-empowered solutions assists human agents in providing more agile services.

Implementing CX controlling strategies

Software for customer journey mapping and feedback management, customer data platforms (CDPs), machine learning, deep learning and CRM solution.

HYPER-PERSONALISATION

Companies should consider embedding HYPER-PERSONALISATION into their CX strategies, following a customer-centric approach that prioritises consumers' requirements and preferences.

With hyper-personalisation, businesses can address each buyer's unique needs rather than a broad, general audience while providing well-tailored communication, deeply customised interactions, and proactive support that can exceed everyone's expectations. It is, however, necessary to leverage comprehensive data covering all customer interactions across every possible touchpoint for it to be truly effective. By subjecting the data to sentiment analysis and generating insightful intelligence into consumers' behaviours, likes, and preferences to fuel a personalisation engine, enterprises can customise CX processes accordingly towards each individual's desires.

This strategy, when combined with effective technology, helps help them to increase satisfaction metrics such as CSAT and CES, strengthen loyalty, and ensure long-term market success. For consumers, it is a chance to have a more satisfying and enjoyable experience, positively shaping their perception of brands.



Successful personalisation initiatives can result in 20% higher customer satisfaction, sales conversion rates, and employee engagement.

(Source: McKinsey & Co).



NETFLIX

Netflix use case

Netflix is a renowned streaming service known for its strong emphasis on personalisation, providing users with a tailored and unique entertainment experience based on their preferences. The platform builds its brand by delivering customised information and recommendations that resonate with each user's tastes and interests, which helps to drive attention and boost customer engagement significantly. It is all done using a large amount of consumer data for behaviour assessment and AI tools to generate personalised suggestions, enhancing their overall viewing satisfaction.

(Sources: Netflix International B.V., Entrepreneur)

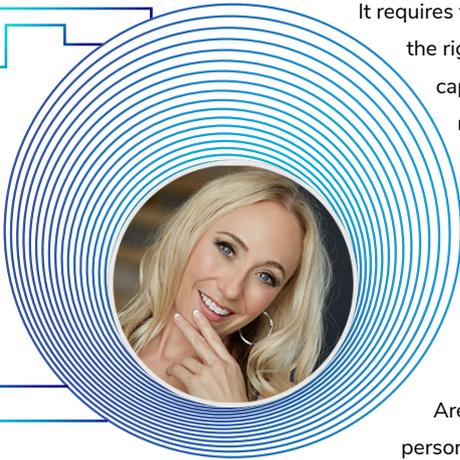
Customer expectations are evolving all the time. One of the tools in your toolbox to help keep up with those expectations is hyper-personalization.

Hyper-personalization refers to the practice of tailoring products, services, content, and experiences to meet the individual needs, preferences, and behaviours of each customer. It goes beyond what we have traditionally referred to as personalization by leveraging advanced technologies, data analytics, and automation to create highly customized and relevant experiences for individuals.

Hyper-personalization is not only data-driven but also moves beyond that to be analytics-driven. Artificial intelligence, machine learning, predictive analytics, and prescriptive analytics are important tools in the hyper-personalization toolbox.

CCXP, Founder and CEO of
[CX Journey Inc.](#)

It requires that you understand your customers; have the right (contextually relevant) data at the right time (preferably a single source of data, somewhere where omnichannel data is captured, stored, and accessed); and use AI-powered tools and analytics to deliver the right experience at the right time.



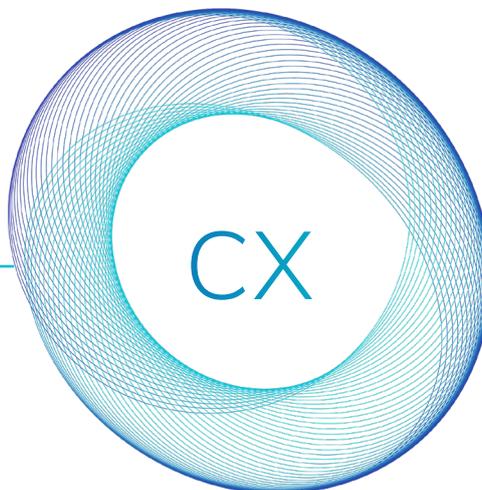
Examples of hyper-personalization include individualized product or content recommendations, customized and personalized content delivered to customers, highly-targeted marketing campaigns that are contextually relevant, seamless omnichannel experiences, individualized support solutions, journey orchestration, and stronger relationships built through customer understanding.

Are there benefits for both customers and brands when the experience is hyper-personalized? Yes.

Annette Franz

For customers, hyper-personalization means they get relevant experiences, personalized recommendations, time savings, better customer service, and better overall experiences that yield higher satisfaction levels.

Brands that get hyper-personalization right will also be celebrating increased revenue (including from cross-sell and upsell opportunities), increased advocacy and recommendations, increased engagement, and increased brand loyalty. Ultimately, it's a competitive advantage. By offering unique and tailored experiences, brands differentiate themselves, attract more customers, and position themselves as leaders in their industry.



OMNICHANNEL APPROACH

Consistency is another key trend to be regarded while building a CX strategy for the future. By implementing an OMNICHANNEL APPROACH, businesses can ensure a cohesive consumer experience, regardless of the channel they choose to engage with.

This needs to be supported by a multi-channel CRM solution that allows streamlining, managing and measuring buyers' interactions more efficiently when integrating all the engagement points, such as phone calls, e-mails, SMS, instant messaging apps or chats, social media and in-person relations. As a result, organisations that prioritise consistency gain a better understanding of customers and their interactions, allowing them to provide personalised communication quickly and execute tailored campaigns automatically while increasing efficiency and reducing costs to serve. For consumers, it is an opportunity to interact with businesses in their preferred way, receive relevant messages at the right time, and feel satisfied and understood.



When customers received outreach in two or more channels, levels of engagement were 166% higher than with a single-channel rate.

(Source: Deloitte)



Uber
UBER use case

Uber, a multinational ride-hailing and transportation network company, offers various avenues for consumers to contact customer support, aiming to increase CX efficiency and CSAT. Seamless accessibility is made possible through the Policy Engine, which automates the execution of operating procedures across all communication channels, ensuring support is provided through different media or client channels. These include the interaction points, such as in-app self-serve, emails and in-app messages, chatbots, telephony and IVR for inbound phone calls and human agents' assistance.

(Source: Uber Inc.)

In an increasingly interconnected world, an omnichannel approach is intended to serve diverse customers through their preferred forms of communication while keeping the brand message intact. This strategy focuses on seamlessly integrating these touchpoints and creating personalized interactions, ultimately curating the highest level of customer experience at any given point of contact. Below are key practices that brands should actively work towards to implement this strategy at different levels across the organization:

Standardization for Consistency: To achieve consistency, it is essential to emphasize the role of standardization of experiences across these touchpoints. Standardization focuses on establishing uniform practices and guidelines internally within the organization, while consistency emphasizes delivering a unified and predictable experience to customers externally. By establishing standardized processes, guidelines, and brand identity across various markets and channels, brands can ensure a unified experience for customers.

This includes consistent messaging, visual branding, customer service protocols, and product quality.

Standardization not only enhances customer trust and recognition but also streamlines operations and facilitates efficient scalability across geographies.

Seamless Integration of Channels: Breaking down silos and fostering open communication across all departments within the organization is crucial. Communication and cross-functional collaboration at every level should be transparent to achieve an omnichannel approach. By unifying customer data, inventory, and order management systems with marketing, customer service, and IT teams, brands can empower customers to effortlessly transition between online and offline touchpoints, enhancing convenience and satisfaction.

Data-Driven Channel Prioritization: It is unrealistic to focus on all channels at once, which is why an effective omnichannel approach requires prioritizing channels based on data insights. By leveraging customer data and analytics, brands can identify the most impactful channels for reaching and engaging their target audience. This data-driven approach allows management to allocate resources, investments, and marketing efforts to channels that have proven to be most effective in driving customer acquisition, conversion, and retention. Understanding customer preferences and behaviour through data enables brands to strategically prioritize channels and optimize their omnichannel strategy for maximum impact.

Embracing the power of an omnichannel approach through standardization, consistency, and data-driven channel prioritization emerges as critical pillars for success. By harmonizing practices, delivering unified experiences, and leveraging customer insights, brands can foster customer loyalty, gain a competitive edge, and drive sustainable growth in the dynamic global marketplace. These principles enable brands to thrive in an interconnected world where customer expectations continue to evolve.

Senior CX Strategist at
[Konabos Consulting](#).

CXPA Emerging Leader 2022



Vaishalli Dialani

NEXT-LEVEL AUTOMATION POWERED BY AI

Each business planning to grow and expand should also think about boosting more traditional automation methods with emerging NEXT-LEVEL AUTOMATION technologies covering Artificial Intelligence, Machine Learning and Natural Language Processing.

With such empowerment, companies can deliver state-of-the-art experiences while eliminating weak points, eliminating potential threats and prioritising activities bringing the highest-possible return and are most likely to succeed. Using AI allows businesses to conduct in-depth and granular analyses of buyers' behaviour patterns, generate more relevant and insight-driven interpretations to promote context-specific experiences, and offer more accurate and personalised assistance through text or voice commands in real time. For customers, this means shorter waiting times, faster issue resolution, and improved satisfaction with the brand's level of customer service.



80% of executives participating in the Gartner survey agree that AI automation can be applied to any critical business decision, and it can help businesses improve customer service by providing accurate and timely responses.

(Source: Gartner, Inc.)

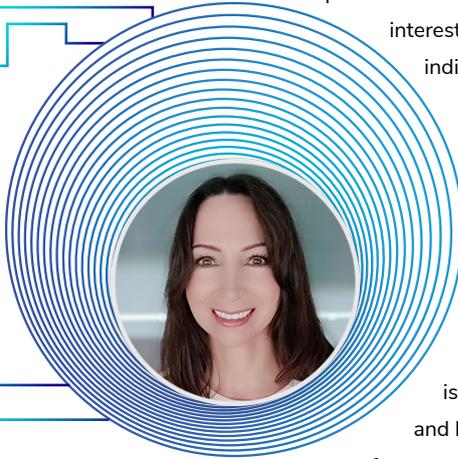


AIRBNB use case

Airbnb, a popular online marketplace for vacation rentals and travel experiences, has enhanced its Customer Experience by implementing an automated support system powered by task-oriented conversational AI technology. The solution aims to improve the cancellation process by allowing Airbnb customers to self-terminate their services in selected cases without the direct involvement of CX agents. This saves users time and eliminates frustration by quickly and efficiently resolving specific issues. Additionally, it helps Airbnb support agents focus their efforts where they are most needed, particularly for processing more complex problems related to cancellations and other matters.

(Source: Airbnb Inc.)

Head of Community
Experience at TheNTWK,
and founding member of the
Women in CX community



Anna Noakes Schulze

Of all the technologies that will have an impact on CX in 2023, Artificial Intelligence (AI) will be the most far-reaching. AI has the potential to radically improve the customer experience in a way that is both high-tech and high-touch, mainly through hyper-personalization, intelligent automation, and real-time agent support.

- 1) **Hyper-personalization** is now possible because AI can process large data sets at speed in order to create personalized experiences, recommendations, and offerings all tailored to the customer's specific interests. AI can help businesses provide customers with a more seamless, efficient, and individual experience, which can lead to increased customer loyalty and satisfaction.
- 2) **Intelligent automation** optimizes repetitive tasks and inquiries provides consistency across channels, and offers customers self-service opportunities for information and simple issue resolution. AI-powered chatbots can offer 24/7 support, which can help customers resolve issues outside of normal business hours or whenever it suits them.
- 3) **Real-time support** for customer service agents allows them to resolve customer issues more quickly and effectively. AI tools not only provide relevant customer details and history, they also use machine learning to offer helpful prompts and suggestions for responding to customer inquiries. AI can also provide agents with insights into a customer's emotional state, allowing them to respond appropriately while demonstrating empathy and understanding. With the help of AI, even junior customer service agents can quickly learn to perform more like their experienced and highly-skilled peers.

The metaverse will eventually become part of an omnichannel CX strategy for most brands. Virtual stores will create personalized, engaging buying experiences that blur the boundaries of the physical and digital worlds. For example, luxury brands are betting on a phygital strategy, pairing designer goods with a NFT digital twin that certifies authenticity and deters counterfeits. Brands are even experimenting with fan-designed or co-created digital goods, some of which go on to be produced in real life as well. It's a new frontier of customer engagement and connection.

VIRTUAL SPACES

The increasing digitisation of daily life, particularly among younger generations, challenges businesses to adapt to changing consumer preferences and provide immersive and interactive experiences. Therefore, companies should explore new opportunities and consider expanding their processes and activities into VIRTUAL SPACES using technologies like the metaverse or augmented reality.

This approach will facilitate organisations to deliver unparalleled engagement and create experiences that resemble those in the physical world. By entering the metaverse, it is possible to expand the reach beyond physical and geographical limitations and access new markets and audiences.

In addition, virtual environments create exciting growth opportunities for businesses looking for more creative and innovative collaboration with the target audience. For consumers, virtual space is a chance to enter a new level of engagement while observing brands, communicating with them, and experiencing products or services.



By 2026, 25% of people will join the metaverse for at least one hour a day for work, shopping, education, socialising or entertainment, and 30% of organisations worldwide will have products and services ready for this digital space.

(Source: Gartner, Inc.)



EPIC GAMES use case

Epic Games, a prominent player in the global gaming industry, is actively focused on developing a next-level metaverse-like experience within their top-rated game, Fortnite. The company aims to create a thriving ecosystem in the virtual space by enabling various features such as hosting virtual concerts, events, and collaborations. These initiatives showcase the potential of merging gaming and social interactions, providing players with an immersive and interconnected experience within the game.

(Source: Epic Games Inc, Forbes)



Anna Noakes Schulze

“The metaverse will eventually become part of an omnichannel CX strategy for most brands. Virtual stores will create personalized, engaging buying experiences that blur the boundaries of the physical and digital worlds. For example, luxury brands are betting on a phygital strategy, pairing designer goods with a NFT digital twin that certifies authenticity and deters counterfeits. Brands are even experimenting with fan-designed or co-created digital goods, some of which go on to be produced in real life as well. It’s a new frontier of customer engagement and connection.”

INCREASING IMPORTANCE OF DATA PRIVACY AND PROTECTION

DATA PRIVACY AND PROTECTION should be a must-have strategy for all modern organisations collecting, processing and storing an increasing number of customers' data.

As data-driven personalisation grows, companies must demonstrate commitment to keeping customer data safe and secure. This includes minimising the amount of information gathered to only that which is necessary, avoiding invasive data-driven profiling, and carefully balancing CX goals with data protection initiatives. This requires implementing the best practices and measures such as encryption algorithms, multi-factor authentication, and secure data storage protocols to comply with data protection regulations and build consumer trust.

It helps companies mitigate the risk of security breaches, financial loss, and decreased consumer trust. For buyers, peace of mind guarantees that their confidential information is secure.



As per a survey conducted by McKinsey & Company in Northern America, consumers are becoming increasingly intentional about what types of data they share and with whom. 82% of buyers would avoid a company with security concerns, and 72% would stop doing business if organisations shared sensitive data without permission.

(Source: McKinsey & Company)



In 2022, Apple released three new advanced security features to provide even more robust tools for users to safeguard their data against potential threats. These include verifying whether the individuals communicate with the intended persons, a physical security key to sign in, and end-to-end encryption allowing for the highest level of cloud data security. The company is committed to providing users with the best data security worldwide, constantly adding new protections.

(Source: Apple Inc.)

EMPATHY AND COMPASSION

While the technology used to empower CX strategies is a way to speed up processes, better understand consumers' needs and deliver more free-of-human support in real-time (e.g., through AI-empowered chatbots), it is still essential to offer buyers the opportunity to ensure EMPATHY AND COMPASSION from the real-human side.

For many people, access to personal connections is critical and valuable and cannot be replaced with technology entirely. Human kindness and understanding can be crucial, especially when dealing with complex customer complaints or difficult issues.

With the relevant support of talented, compassionate and skilled staff capable of solving problems quickly and effectively, consumers will appreciate the effort, feel emotionally satisfied, and be more likely to become loyal and trusted advocates for the business.



The employee's experience is the cornerstone. Human interaction matters now — 82% of U.S. and 74% of non-U.S. consumers want more of it in the future. Regardless, the technology supporting human interaction must be seamless and unobtrusive across platforms.

(Source: PWC)

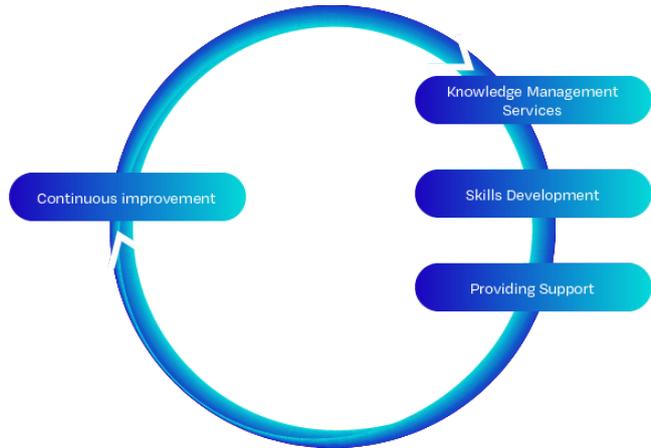


Amazon, a leading worldwide online retailer, utilises sophisticated AI algorithms to enhance convenience and elevate the Customer Experience. The technology significantly impacts various areas, including e-commerce, consumer support, logistics, warehousing, and more. By leveraging AI algorithms, Amazon can anticipate buyers' needs through personalised recommendations, empower customers with self-support options, and provide a hands-free shopping experience. However, while the company continues to invest in further AI-driven enhancements, they also recognise the importance of human interaction. Amazon strongly emphasises customer service and ensures channels are available for buyers to connect directly with human representatives when needed.

(Sources: Amazon, Emerj)

As AI grows in capability both Natural Language Processing and Generative models support individuals, teams and businesses to act with empathy and compassion. Even simply using AI to remove repetitive tasks and identify opportunities to improve CX, frees humans to act with empathy.

Whether a business is using AI for self-service or to support staff we see the same four opportunities to build empathy and compassion.



Together these opportunities magnify each other.

Knowledge Management ensures data is at hand when employees engage with customers, thus removing one of the biggest barriers to customers feeling understood and respected. It also affords greater personalisation of messaging and even tone of voice. When we consider jobs to be done, knowledge management ensures businesses give customers the right information with the minimum of fuss, recognising customers' need for ease.

Skills development is key to acting with empathy and AI can provide real-time feedback for those working directly with customers and provide suggestions for improvement.

When providing support either directly or by supporting an employee, AI can capture and summarise the customer's questions, requests and problems and hone in on the customer's needs. It can then give or suggest answers or take action within integrated systems. This aspect of AI is said to also help employees feel more comfortable and capable in their roles, with benefits for employee experience and empathetic behaviours. Over time AI can build themes to express the biggest drivers of questions and dissatisfaction to create insights and initiate action within the business.

Each of these opportunities relies on the fourth, continuous improvement. By analysing the outcomes of customer conversations and customer feedback, AI can drive improvements in the data it uses and its interactions with customers and employees.

While current AI cannot be empathetic, it can seem empathetic and act with what looks like compassion, serving customers directly or supporting those that serve customers.

CX CONTROLLING STRATEGIES

Incorporating innovative CX management strategies is critical for all types of organisations, whether medium-sized businesses with a digital presence across different markets or large multinational corporations offering brick-and-mortar and online experiences. By implementing effective CX monitoring and control processes over time, firms can maintain a handle on their Customer Experience. This includes conducting regular assessments and continuously improving the CX initiative or its specific aspects.

It is a must-have option for any firm treating CX as a key differentiator and significant revenue driver. It can be achieved efficiently by adopting relevant Customer Experience Management (CXM) initiatives, enabling companies to control and make iterative changes to constantly improve CX processes, skills or technologies to enhance the overall Customer Experience. At the same time, ensuring that every interaction with the customer is cohesive and aligned with the brand promise. Among the most potent strategies for CX controlling are:

- **Journey mapping**, which helps to visualise and understand buyers' experiences across all interaction points while acting as a starting point for further decision-making on strategic directions, risk mitigation tactics or problem-solving.
- **Metrics setting up and monitoring**, which allows gathering customer feedback concerning CX satisfaction and loyalty, dissatisfaction, brand perception, retention, churn, attrition, behaviour and much more, while tracking the progress and CX performance through relevant KPIs.
- **Continuous improvement** by soliciting gathered feedback, prioritising and implementing changes accordingly, and tracking their results towards achieving CX goals. In addition to metrics and monitoring, effective CX management involves proactive issue addressing and relevant employee training to increase their skills for serving customers in a better way.
- **Collaboration and communication** across departments to ensure that everyone within the organisation is aligned around the same customer-centric goals and working together towards continuous improvement.
- **The "One view" approach** provides a 360-degree view of Customer Experience, made possible by integrating various channels and data streams on one platform. With the right strategy and supportive tools, it is possible to gain a holistic understanding of consumers' interactions and behaviours and make data-driven well-informed decisions.



Disney is a global entertainment and media company renowned for its precise and consistent approach to Customer Experience Management (CXM). This is evident in their meticulous attention to detail, immersive storytelling, and unwavering efforts to create exceptional experiences across all their services, including streaming platforms, movies, theme parks, resorts, and other entertainment properties. The approach and effort enable Disney to improve CX processes constantly while retaining customers and building loyalty on an unprecedented scale.

(Source: The Walt Disney Company, CX Network)

Customer Experience Management advisor, author of the Customer Experience Field Manual, The Guide for Building Your Top Performing CX Program (Boston Business Books)

Jeff Sheehan is a Customer Experience Management advisor and customer service consultant with over 30 years of experience in the field. He is the author of the Customer Experience Field Manual, The Guide For Building Your Top Performing CX Program (Boston Business Books), and resides in San Antonio, Texas.

There are so many must-haves and must-dos for CX leaders to act on that you can quickly run out of capacity to get things done. How, then, does a CX leader focus their efforts to get the most impact out of every CX project? How do CX leaders discover the best projects that have the most potential to impact the customer's experience and the business positively?



Jeff Sheehan

There is a framework that offers a structured way to uncover potential CX projects from your customer feedback data called the Value-Irritant Matrix (VIM). The VIM requires a deep understanding of your customers and your business. It can focus on a channel (e.g., the contact center), offerings, and journeys in B2C and B2B operating models.

The Value-Irritant Matrix structures CX projects based on emotion and impact on the business and the customer. To use this approach successfully, you must deeply understand your customers using qualitative and quantitative research to identify what your customers' value and what is irritating to them enough to stop doing business with you.

The VIM also accounts for things that are irritants to the business and things the business values—requiring extensive collaboration with cross-functional stakeholders for process, product, service, technology, partners, and culture into the root causes and the fixes.

Figure 1 illustrates the four-quadrant structure of the Value-Irritant Matrix and suggests where technology can be inserted to add more value or remove an irritant, or both, to the customer and the company experience.

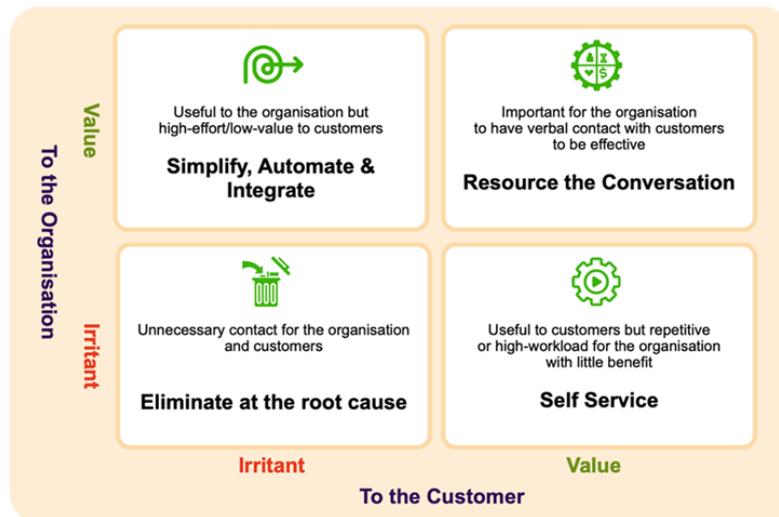


FIGURE 1: THE VALUE IRRITANT MATRIX

In the lower right quadrant, items that customers value but irritate the company should be moved to self-service. For example, a customer calls the contact center to check account balances. The company can remove this friction, cost, and inconvenience by moving these interactions to self-service via a mobile app, website, or push notification technology.

The lower left quadrant offers the opportunity to eliminate upstream issues that bother customers and the company. Irritants in this quadrant need to be eliminated. One example is password resets. Believe it or not, there was a time not so long ago when one had to call a support center to reset a password. This created friction for the company and the customer that no one wanted, and self-service password reset technology and process

have become the norm.

The upper left quadrant, where there is value to the business but an irritant to the customer, allows the introduction of technologies that simplify, automate, and integrate into processes and other technologies to remove friction for customers while capturing essential information or compliance adherence for the business. One example is an online mortgage application process that asks customers once for their input and tracks the application's progress for the customer, offering communication and setting expectations along a defined process where the customer can see the progression and not have to make contacts for a status update.

The last quadrant is the upper right, where the value to the customer and the business can be achieved. This is where deep customer understanding of their jobs to be done and the time, expertise, and resources can be applied to gain loyalty, perform cross-selling, nurture renewals, and implement customer personalization.

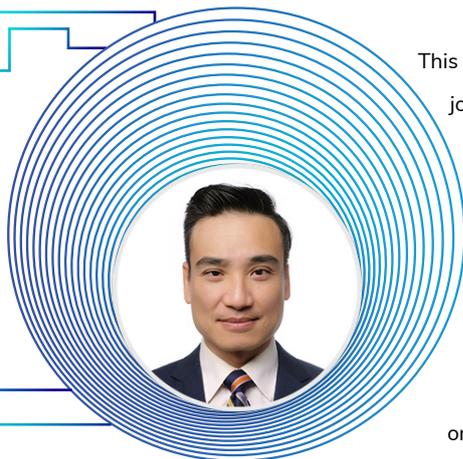
The business can free up resources to focus on the value-value quadrant by removing the irritants in the other three quadrants. In addition, customers can be more amenable to having those conversations since there is less friction in their experience with your company.

The VIM offers CX leaders a disciplined approach to building business cases for making changes and investments that benefit both the customer and the business. The VIM also hones in on where technology should be applied, where and how to offer personalization, enables a customer-centric culture and operations, compels collaboration on solution development, and helps prioritize CX projects and investments and their expected return on investment. The Value-Irritant Matrix adapts to any level of CX program maturity and capacity. It creates an excellent framework for using customer experience management as a continuous improvement program directly linked to a return on investment.



Principal and CXO,
[Transformidy](#), CXPA
Canadian Leadership Council

“CX has evolved to the extent that it now plays a large role in the brand’s financial, social, and reputation success. In the past, CX functions were largely managed by marketing or sales and are met with resistance by other departments owing to the lack of awareness. Today, brands with strong CX functions embed strong partnerships with key departments such as accounting, information technology, legal, etc. to build a cohesive perspective of the customer experience journey.



Larry Leung

This means major department stakeholders contribute to the customer experience journey mapping for a product line or service sooner. Earlier participation enables data collection touch points to be designed, implemented, and monitored with relevance. This turns KPI, usually known as Key Performance Metrics, into data that “Keep People Informed” or “Keep People Inspired”. Finance and accounting fund CX. As part of early participation in CX design, they can build markers or triggers to evaluate the relationship between a CX engagement, touchpoint, or process to a given set of financials. Building in markers or triggers enables brands to determine the CX return on investment, Customer Lifetime Value, and customer loyalty contribution more timely and with higher accuracy.

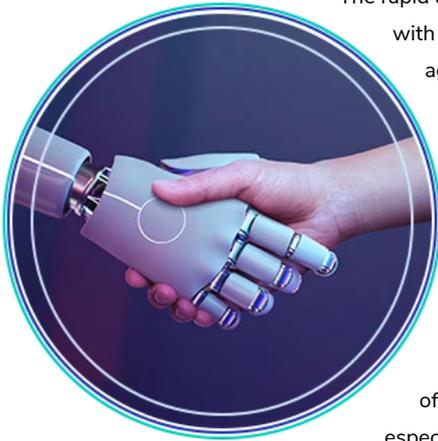
Many brands today focus on measuring CX success through feedback data from onboarding customers. These delayed measurement metrics serve brands well with data on how customers feel after purchase. However, they do not always detect how CX contributes to the overall business success.

By installing CX philosophy and practices across all departments, brands have an opportunity to have a holistic approach to CX design, implementation, monitoring and management. This greatly improves data collection to showcase how CX contributes to customer loyalty and the bottom line.

Achieving CX excellence through balancing AI and human touch

In recent years, the rise of AI-driven technologies has initiated a change in how global businesses manage Customer Experience. Enhancing CX processes with Machine Learning, Predictive Analytics, or Conversational AI increased their profitability, agility and efficiency but has also unveiled the immense potential for future benefits.

Many statistics reflect the growing trend of using Artificial Intelligence in companies' CX operations, for instance, those included in the Grandview Research report stating that "The global call centre AI market size was valued at USD 1.16 billion in 2021 and is expected to expand at a compound annual growth rate (CAGR) of 22.7% from 2022 to 2030".



The rapid adoption of AI allows companies to engage with customers in new ways - faster, more accurately, with greater personalisation than ever before, with limited wait time and technology replacing human agents in specific tasks, such as first-line support. This, however, raises the question: "Will Artificial Intelligence fundamentally alter the nature of Customer Experience delivery, ultimately replacing the human touch with an AI-empowered "human-like" tech stack?" There is a growing fear of the impact of AI on employment, as it may leave people without work or the necessary skills to adapt to the changing job market. This anxiety is possibly being strengthened by many imaginary scenarios in books or movies, predicting a future filled with full automation and machines or robots performing tasks that were once only possible by people.

However, the outlook for Customer Experience may present alternative scenarios regarding the role of humans. Despite the advancements in AI-driven technologies, human interaction remains crucial, especially in light of the isolation experienced during the COVID-19 pandemic. Therefore, the value of interpersonal connection is increasingly cherished and acknowledged, reinforcing the notion that human involvement remains essential in delivering exceptional experiences.

As innovative solutions and sophisticated AI algorithms unlock hidden opportunities for Customer Experience, they cannot fully replace the human touch. Consumers still expect empathy, compassionate understanding, and the ability to interact with real people, especially when they have more complex requests or needs to be addressed. It can be seen in the PWC report, which presents that "71% of Americans would rather interact with a human than a chatbot or some other automated process". In addition, the HubSpot research delivers another proof that humans drive business while the balance between digital and personal CX. The report shows "58% of those who interacted with a person are more likely to shop with the brand again".

As companies implement emerging technologies for automating tasks, there may be less pressure to grow customer support teams in some areas. However, new positions will likely emerge for creating AI-driven strategies, managing data analysis, and monitoring and improving CX processes. They will require different skills and qualifications while posing challenges and bringing opportunities to grow competencies.

Summary

The exploration of technological and management trends shaping Customer Experience's future has provided valuable insights for companies and CX enthusiasts, highlighting the importance of continuously enhancing the CX strategy to stay at the forefront of innovation and enable a cutting-edge approach. This involves acquiring new capabilities, investing in modern tech stacks, embracing best practices, and implementing innovative concepts and solutions to address critical consumer issues best.

What are the learnings for Customer Experience professionals? They should prioritise uninterrupted exploration and education, stay updated with all the novelties in the field, and wisely select the various options available, choosing those with the highest potential for their specific contexts. These include integrating ROI-driven strategies that significantly impact customer satisfaction, productivity, and revenue generation. Furthermore, it is also about comprehensively understanding customer needs, preferences, and pain points to effectively engage buyers across various channels with a consistent strategy, technological adaptability, and compassionate care.

Inspiring organisations and CX's teams to follow such a holistic and customer-centric approach, empowered by cutting-edge technologies, CX professionals can highly contribute to the successful development of Customer Experience while creating meaningful connections, fostering loyalty, driving retention, and securing business growth in an increasingly competitive landscape.



About contributors

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With 30 years in the customer experience profession, Annette Franz, CCXP, founder and CEO of [CX Journey Inc.](#), is an internationally recognized customer Experience thought leader, coach, keynote speaker, and author of *Customer Understanding: Three Ways to Put the “Customer” in Customer Experience (and at the Heart of Your Business)* and *Built to Win: Designing a Customer-Centric Culture That Drives Value for Your Business*. She is a Certified Customer Experience Professional (CCXP) and an official member of the Forbes Coaches Council.

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Jeff Sheehan



Jeff Sheehan is a Customer Experience Management advisor and customer service consultant with over 30 years of experience in the field. Jeff’s work focuses on optimizing customer experience (CX) management programs to drive sales, improve gross margins, and delight customers. He is the author of the *Customer Experience Field Manual*, *The Guide For Building Your Top Performing CX Program* (Boston Business Books), and resides in San Antonio, Texas.

Larry Leung



Larry Leung is a customer experience strategist based in Toronto, Canada. He is a Principal and Chief Experience Officer at [Transformidy](#), a consulting agency helping brands with their customer experience strategy and has over 20 years of experience working with global clients. He has a Canadian Leadership role at the Customer Experience Professional Association (CXPA) and contributed to the first edition of the customer experience book of knowledge. Besides speaking at conference, he is a frequent contributor to local and international media and is the Co-editor-in-Chief of [Retail Mashup](#), a retail news organization focusing on customer experience.

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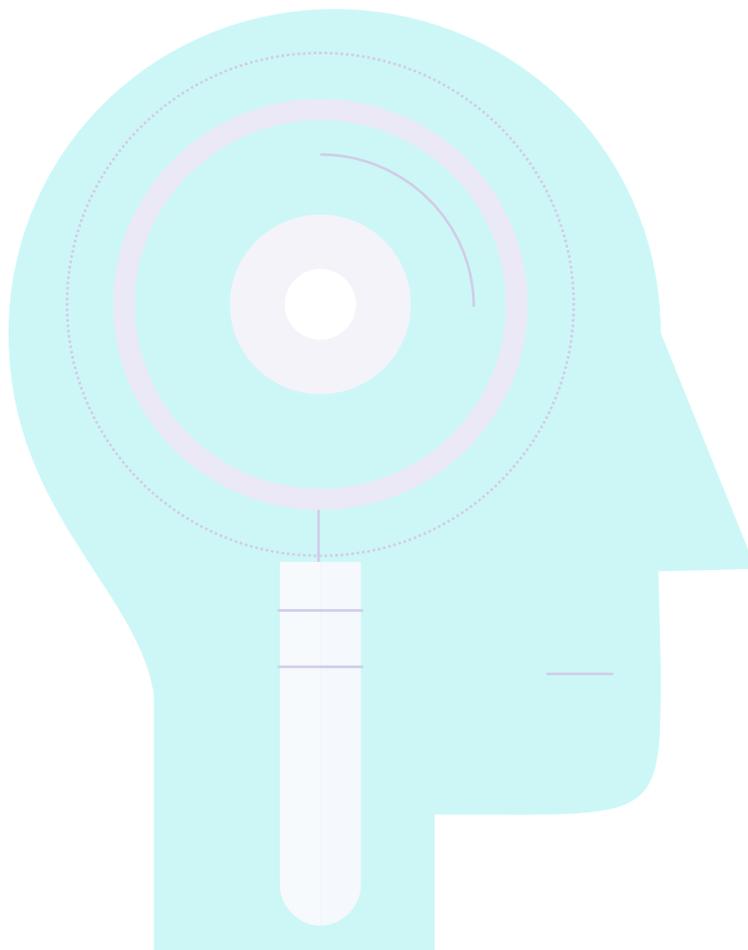
Michelle Spaul is a Customer Experience Consultant who brings a breath of fresh air to the subject. Focusing on how to deliver amazing business results, Michelle supports clients to growth by harnessing the power of Customer Experience Management.

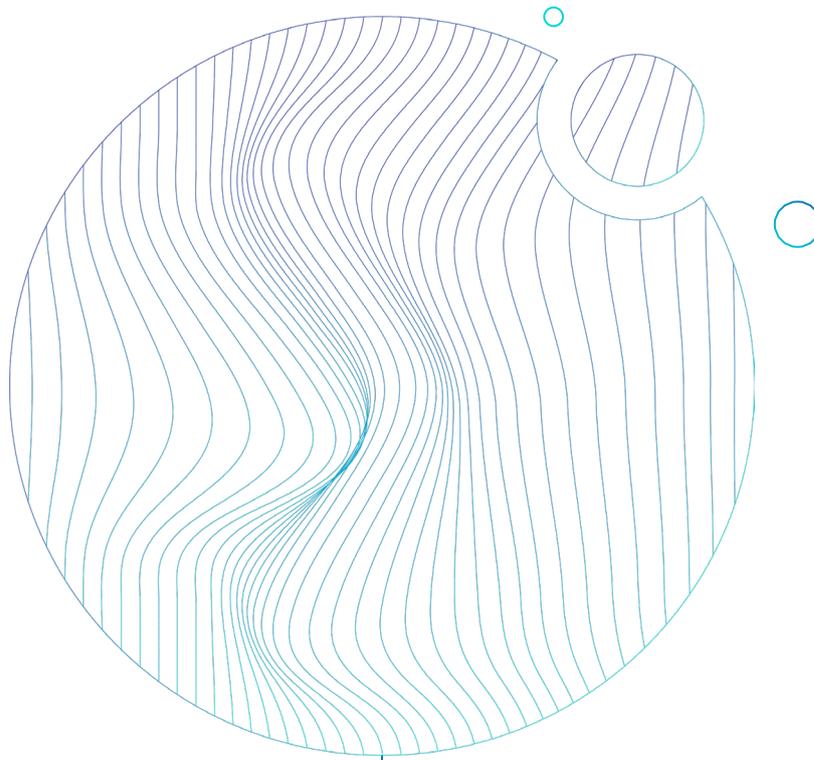
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Recognized as an Emerging Leader by CXPA in the Middle East and ranked as one of the top 11 CXM Stars worldwide, Vaishali Dialani is dedicated to delivering exceptional customer experiences. With over 7 years of experience as a data-savvy marketer, research specialist, and change-maker, she passionately advocates for integrating emotions and efficiency through customer experience research, product insights, and communications.

As a Senior CX Strategist at [Konabos](#), a leading digital transformation consulting firm, Vaishali helps businesses define their strategies, design customer journey maps, and foster cross-collaborative cultures. She believes in the power of knowledge-sharing and actively participates as a speaker at events, universities, podcasts, and various other platforms to educate others in the field of CX.





Contact us

We feel energized by this position and would love to meet you and discuss your business and what Team Conectys can do for your CX and T&S services.

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