CallMiner CX 2022
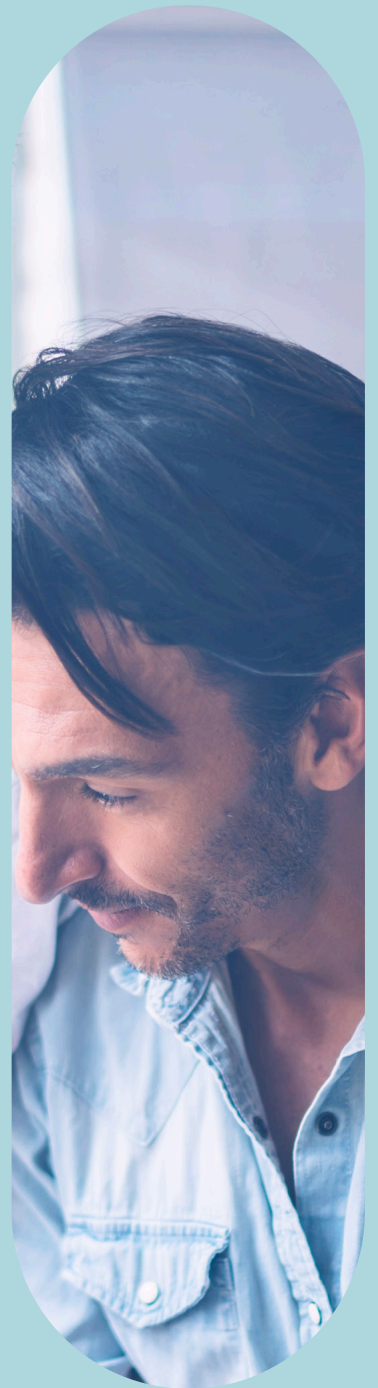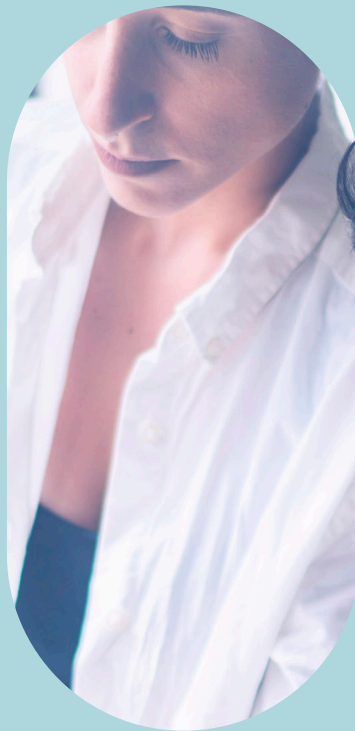## Landscape Report

Learn why CallMiner was named
the Leader in the Forrester Wave™:
Conversation Intelligence for
Customer Service, Q3 2023

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Lifting the lid on the CX industry to understand how today's organizations are collecting and acting on customer data to effectively overcome challenges, maximize opportunities and drive better experiences

Introduction: Understanding the CX puzzle

The customer experience (CX) industry is a dynamic one. More organizations, across a range of industries and sectors, are prioritizing initiatives that drive deeper customer intelligence and better experiences. Yet, executing on these priorities isn't easy. First, it's important to consider that the last couple of years have been extraordinary. Many consumers have had to deal with issues they may never have anticipated, which has put a stronger emphasis on not only understanding customers' unique needs, but also on how organizations tailor their CX approaches and show empathy to customers.

Second, decision makers are faced with an increasingly complex technology market. The market is filled with vendors claiming that their offering is the best, that they can handle every customer data source, that they 'play nice' with other solutions, and more – but do they really? The choice of how and where to invest in technology can be overwhelming.

In speaking to hundreds of senior contact center and CX decision makers from retail, healthcare and financial services organizations, it became clear that most are working to solve the same CX puzzle. And that puzzle most commonly breaks down into four pieces:

1. The first piece of the puzzle is gathering the necessary data. This process includes maximizing the potential of customers by using innovative methods of data collection to understand as much about them as possible

2. The next piece is the efficient and effective analysis of that data. Gathering data is fine, but uncovering meaningful insights and intelligence that leads to action requires the right analysis

3. Employee experience (EX) is another crucial piece. With contact center and customer service agents serving as the frontline of an organization's brand, it's vital to keep them satisfied and made to feel valued in their roles if they're going to deliver the best CX possible

4. The final piece of the CX puzzle is technology. Organizations understand that the right solutions, such as artificial intelligence (AI) and conversation intelligence, are critical to gaining a more holistic picture of CX

It's only when these pieces come together that organizations can truly drive successful CX. Read on for insights and findings regarding the current CX landscape, the important role of EX in driving CX, and what technology, including AI, holds for the future of the industry.

Key Findings

- Over 3 in 5 (62%) senior contact center decision makers believe their organizations don't collect all the data they need in relation to customer experience (CX); and only around 1 in 10 (12%) say their organizations collect about an equal amount of solicited and unsolicited feedback data

- Almost all respondents (96%) surveyed say their organizations are using manual analysis to some extent, whether that includes reading or listening to feedback and hand-coding it, or aggregating data using Excel or PowerPoint. With so many still using manual processes, organizations aren't maximizing the potential of the data they're collecting

- The majority (70%) of respondents say some improvements are needed to the ways their organizations use data to enhance CX

- 6 in 10 (60%) say their organizations are unable to accurately track ROI regarding customer data/feedback all of the time, which could be holding them back from truly understanding how worthwhile their CX efforts are

- Respondents believe their organizations are very customer-centric, with the vast majority (94%) saying so. Yet around 6 in 10 (58%) report that their organizations' CX departments/teams are not completely aligned with the rest of their organization

- All (100%) senior contact center decision makers report their organizations have faced challenges regarding CX in the past year; the most common being customer vulnerability (40%) or rapidly changing customer behavior/expectations (36%)

- There's a very strong level of agreement (99%) that the way employees deal with customers has a direct impact on the perception of the organization's brand, products or services. It comes as no surprise that a similar proportion (99%) believe the employee experience (EX) is at least somewhat important to the success of CX

- Artificial Intelligence (AI) has been widely adopted to collect and analyze data about CX and customer satisfaction, with 71% saying their organizations have at least partially implemented it. However, almost half (48%) report that their organizations aren't fully leveraging the benefits of AI – suggesting a need for outside support and guidance

- The benefits and impacts AI technology can have on organizations is widely recognized. Three of the areas that have been positively impacted by AI, or are expected to be, include how effectively departments can share insights/data with each other (41%), brand reputation/crisis management (38%) and employee engagement/productivity (36%)

- AI implementation doesn't come without its hurdles, and organizations need support and reassurance. The common reported challenges faced are that AI-powered technology is too expensive, and organizations don't have the budget (41%), or it's too complex for them to implement and manage (41%)

- The vast majority of respondents (93%) believe AI and conversation intelligence will become very important or even critical to how their organizations approach CX in the future, making it vital for organizations to overcome the challenges they face

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A snapshot of the customer experience landscape

Every customer has different needs, behaviors, preferences and expectations, so it's no surprise that organizations are working to tailor their customer experience (CX) programs and initiatives accordingly, in order to better empathize with customers and their needs. These organizations agree on one thing: collecting and analyzing customer data is critical to understanding customers and optimizing CX.

Collecting customer data

The first step in understanding CX is compiling the necessary data. All (100%) senior contact center and CX decision makers surveyed say their organizations collect data/feedback from their customers about their experience of, and satisfaction with products and/or services. This consensus represents how important that data collection is to CX. There's an array of different ways organizations collect this feedback, from customer reviews (58%) and interviews (54%) to telephone (33%) and in-app surveys (28%) [Figure 1].

Missed opportunity of recording calls:

Only around half of respondents (48%) say they record customer calls to collect experience and satisfaction data/feedback. Most contact centers that are recording calls are doing so from a quality assurance or compliance perspective. It's possible organizations don't realize how they can also utilize these recordings to gather data from an experience perspective, and they're likely missing out on that opportunity.

Vertical spotlight:

The financial services and healthcare industries follow similar patterns with regards to the how their organizations collect data/feedback from customers, an indication of the more sensitive data and complex customer situations they're dealing with. Those in financial services (51%) and healthcare (49%) are more likely than those in retail (45%) to record customer calls, but with only around half doing so regardless of industry, it's clear most organizations could be doing more. Similarly, those in retail are the least likely (27%) to be using telephone surveys, vs. those in financial services (40%) or healthcare (31%).

How organizations collect data/feedback from customers about their experience of and satisfaction with products and/or services

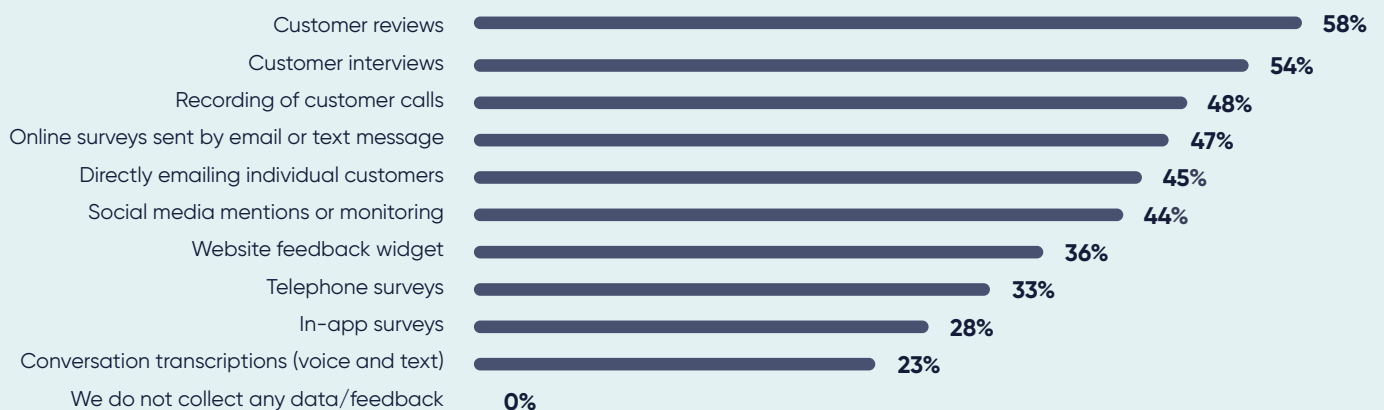| Category	Percentage
Customer reviews	58%
Customer interviews	54%
Recording of customer calls	48%
Online surveys sent by email or text message	47%
Directly emailing individual customers	45%
Social media mentions or monitoring	44%
Website feedback widget	36%
Telephone surveys	33%
In-app surveys	28%
Conversation transcriptions (voice and text)	23%
We do not collect any data/feedback	0%

Figure 1: Which of these categories best describes how your organization collects data/feedback from customers about their experience of and satisfaction with products and/or services?

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It's also critical to understand the type of feedback that is being collected. This information can uncover new levels of customer understanding. Collecting solicited feedback, which is feedback that customers are asked for directly, such as through surveys, enables organizations to learn the answers to questions they would actively like to pose. On the other hand, unsolicited feedback, which is the feedback that customers indirectly share through regular interactions, such as with customer service representatives, provides a more organic, unprompted level of insight into questions organizations never thought to ask. When collected alongside solicited feedback, unsolicited feedback can provide a more robust view of the customer and CX. It's vital to collect both forms of feedback.

Yet only around 1 in 10 (12%) of those surveyed say their organizations collect about an equal amount of solicited and unsolicited feedback.

In fact, 4 in 5 (79%) report that at least the majority of the feedback collected is solicited, with a sizable minority (44%) reporting that all feedback collected is solicited. There are a lot of organizations missing out on critical data that can enable them to optimize CX.

Diving deeper into the type of data collected, the most common is reported to be customer preferences and/or feature requests (64%). Interestingly, this is more likely to be the case within the smallest organizations (100–249 employees: 70%) than the largest (3,000 or more employees: 51%), which may reflect smaller organizations' ability to be more agile with their customers than their larger counterparts. The feedback that tends to be more negative, such as complaints and/or bug reports (47%) and churn reasons (30%), are the least commonly collected by organizations, alongside questions (29%) [Figure 2].

Market spotlight:

While the most common types of customer data/feedback collected sees a similar rank order across the different markets focused on here, there are some notable differences. Those in South Africa are the most likely to say their organizations collect customer preferences and/or feature requests (75%) vs. the UK/ROI (63%) and US (60%). They're also the most likely to collect product/service ratings (67%) (UK/ROI: 54%; US: 42%). Those in the UK/ROI are the least likely to be collecting positive feedback (43%) than the US (52%) or South Africa (55%). Those in the US are more likely to be collecting the typically more negative feedback: complaints and/or bug reports (US: 50%; UK/ROI: 45%; SA: 43%); churn reasons (US: 33%; UK/ROI: 30%; SA: 21%).

Vertical spotlight:

Those in healthcare (69%) or financial services (67%) say their organizations are more likely to be collecting customer preferences and/or feature requests than those in retail (54%) – reflective of the lower levels of customer facing technology across that industry. Retail organizations are also the least likely to be collecting more negative types of data or feedback (Complaints and/bug reports: 42%; Churn reasons: 25%).

The type of customer data/feedback organizations collect from its customers

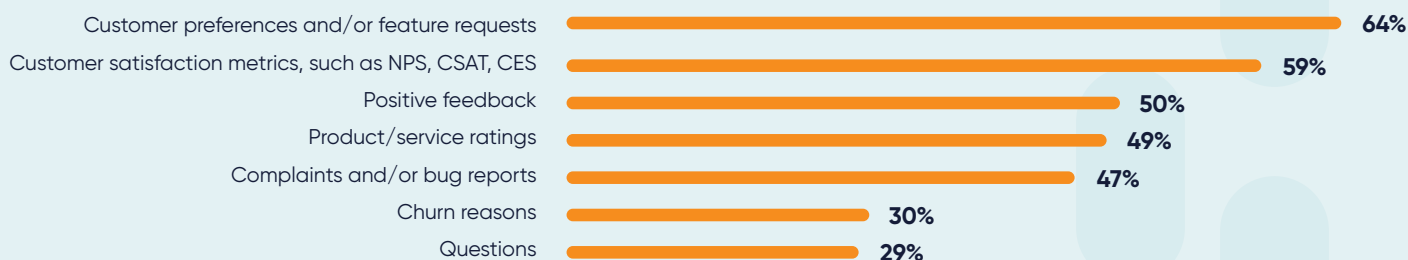|	
Customer preferences and/or feature requests	64%
Customer satisfaction metrics, such as NPS, CSAT, CES	59%
Positive feedback	50%
Product/service ratings	49%
Complaints and/or bug reports	47%
Churn reasons	30%
Questions	29%

Figure 2: What type of customer data/feedback does your organization collect from its customers?

However, this type of data empowers organizations to understand what doesn't work for their customers, along with the adjustments to make to the CX.

Maximizing potential

Around 6 in 10 (62%) senior decision makers surveyed believe their organizations don't collect all the customer data they need. There's a clear recognition that organizations aren't maximizing the potential with customer data and feedback. Focusing on collecting a wide variety of feedback (both positive and negative) could be the key to unlocking that potential, and enabling greater empathy toward their needs.

Analyzing customer data

Once organizations have collected the right data, it's necessary to ensure this data is being analyzed efficiently and effectively to extract all the value it can deliver. Despite technical advancements in CX technology solutions, nearly all of those surveyed (96%) report their organizations use manual analysis to some extent. It's far too time consuming, inefficient and costly to analyze data in a primarily manual way. As a result, organizations lack the ability to adapt CX in real time. Relying on a solution to automatically analyze data at scale brings a wealth of benefits to most organizations.

The result of not getting all the value needed from CX data and feedback is an incomplete view of CX. Seven in 10 (70%) respondents report some or significant improvements are needed to how their organizations use data to enhance CX. So, they don't have a holistic picture of CX. With only a portion actually recording calls and so few collecting an equal amount of solicited and unsolicited feedback, it comes as no surprise. Further, when it comes to their organizations' ability to identify drivers of customer satisfaction, just over 6 in 10 (61%) say improvements are needed. Without knowing what these drivers are, it would be a real struggle to improve.

Leadership and CX

A lack of appropriate analysis means less actionable information for those with authority to drive CX forward. Board members/executive leadership teams receive reports on CX and satisfaction metrics twice a month, on average. So, it's clearly high on their agenda and something they care about, but they are being starved of the data required to make informed decisions.

Challenges with CX

Organizations are faced with other data collection and analysis hurdles. First, there's a clear gap when it comes to customer-centricity. The overwhelming majority (94%) of respondents believe their organizations are very or completely customer-centric. This confidence is likely misplaced, given that nearly 6 in 10 (58%) say their organizations' CX departments/teams are not completely aligned with the rest of their organization. How can an organization be truly customer-centric if silos like this still exist?

Market spotlight:

Those in the UK/ROI deem their organization to have a bigger gap in alignment, with 63% saying their CX departments/teams are not completely aligned with the rest of their organization compared to those in the US (58%) and South Africa (49%).

Vertical spotlight:

CX department/team alignment with the rest of the organization is something that's much more prominent in the healthcare sector (67%) than in retail (56%) or financial services (51%).

Do organizations realize the impact on the bottom line?

Even if organizations maximize the collection and analysis of customer data, as well as understand the potential impacts of doing so, they still need to analyze the business and financial impacts to the bottom line. Do they know whether their efforts are creating additional revenue – for example, how does moving the needle on customer satisfaction (CSAT) scores equate to tangible revenue?

A decent return on investment (ROI) is likely an indicator as to whether the CX is being truly optimized. If organizations don't have a grip on their ROI, it will be difficult to see whether their efforts in this area are worthwhile.

With the majority (60%) unable to accurately track ROI of customer data/feedback all the time, this is another area where organizations would benefit from expanding their analysis capabilities.

These silos are likely magnified by the difference in value placed on CX by various departments and functions across the organization – with some placing more value on CX than others. Most commonly, and perhaps predictably, respondents believe that client services/relationship management teams place the most value on CX currently (57%), with other departments, such as marketing (39%), IT (28%) or HR (23%) perceived to place less [Figure 3].

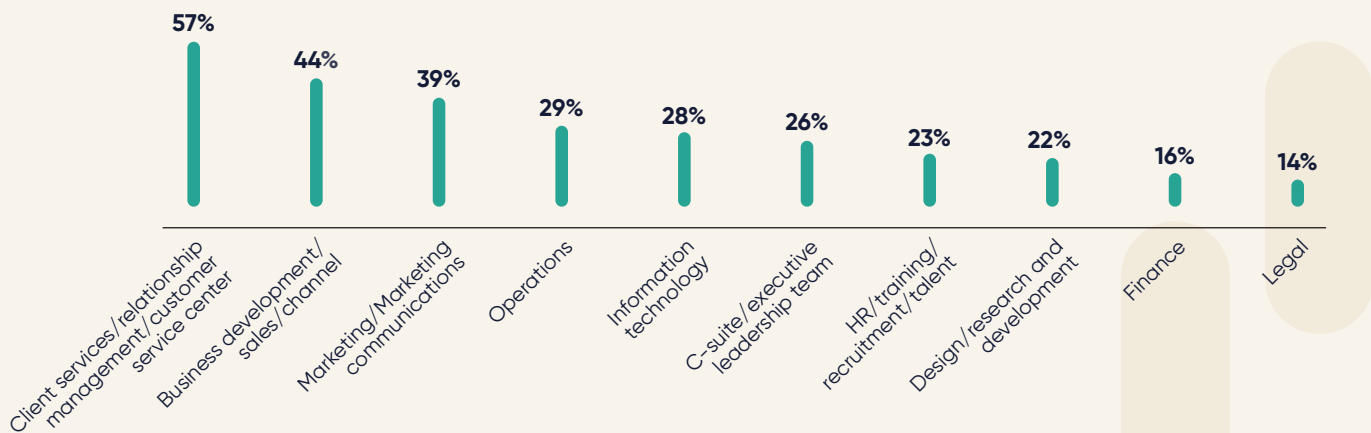## Departments believed to place the most value on CX currently

Figure 3: Which of the following departments in your organization do you feel place the most value on customer experience (CX) currently? Combination of responses ranked first, second and third

Further cementing a general misalignment on CX within a business, only around a quarter (26%) believe the C-suite/executive leadership currently place the most value on CX; contrary to how often they're receiving data related to it. Leadership teams need to take stock and show that it does matter to them – as this might help organizations prioritize CX and help break down the silos.

In addition to challenges posed from inside the organization, there are some clear factors from outside that are also holding organizations back. All (100%) respondents say their organizations have faced challenges regarding CX in the last year. The most common of these challenges relate directly to the customers themselves. Nearly half (40%) of respondents highlighted the challenges around customer vulnerability, such as health or financial issues, and 36% noted rapidly changing behaviors and expectations (36%). Other challenges involve the accelerated digitization of data/feedback gathering (36%) and having to combat disengagement/productivity among customer service reps (34%) [Figure 4].

The biggest challenges organizations have experienced regarding customer experience (CX) in the past year

Figure 4: In the past year, which of the following are the biggest challenges your organization has experienced regarding customer experience (CX)? [450] Combination of responses ranked first, second and third

The findings around these challenges illustrate how important it is for organizations to get a handle on delivering the best experience possible to support their customers through difficult times. After a tumultuous start to the decade, customers want to feel heard with empathy and communication that resonates with them. This is only possible if the CX is the best it can be, and that requires the collection of customer feedback data from as many sources as possible.

The role of employee experience in CX

We've already seen around a third (34%) of those surveyed are challenged by customer service rep disengagement or lack of productivity. It's well-known that customer service agents have consistently high attrition rates. Is there more that organizations can do to support their employees, improve employee experience (EX), and ultimately improve CX?

The answer is yes. Encouragingly, decision makers know this too, with a clear recognition that EX impacts the CX. Nearly all (99%) respondents surveyed agree that the way their employees deal with customers has a direct impact on the perception of their brands, product or services, and the same proportion (99%) believe that EX is at least somewhat important to the success of CX. This demonstrates that efforts should also be made in this area to help enhance CX.

CX insights for EX training:

The majority (93%) of respondents report that their organizations use insight from the analysis of CX data to improve training, onboarding and coaching for customer service reps. This makes it even more vital that CX data is efficiently and effectively collected and analyzed, since so many organizations rely on it as an important element of EX.

Scrutiny for CX reps:

Customer service agent performance is measured using a number of KPIs, including customer satisfaction (CSAT) scores (58%), the average number of calls handled (49%) and the average handle time (47%), which help organizations understand how well their agents are performing. This high level of scrutiny could lead to higher levels of stress for these individuals, or even intensify agent disengagement and churn. Given the challenges, KPIs are an area to consider humanizing.

It's encouraging that organizations are making the most of CX data to enhance EX and monitor agent performance, but to get the most out of their employees, the collection of data is important, too. Almost all (99%) say their organization collects data/feedback about employee experience/satisfaction. The most common methods of doing so are through employee interactions with supervisors (57%) and customers (56%) [Figure 5].

How organizations collect employee experience (EX)/satisfaction data

Employee interactions with supervisors	57%
Employee interactions with customers	56%
Online surveys, such as through an HR portal	51%
Direct employee interviews	48%
Unsolicited feedback sources (organic thoughts, feelings and opinions they share)	44%
We do not collect any data/feedback about employee experience/satisfaction	1%

Figure 5: Which of the following best describes how your organization collects employee experience (EX)/satisfaction data? [450]

It was highlighted earlier how critical unsolicited feedback can be to providing a robust view of the customer, alongside solicited feedback. The same is true for employees. Yet less than half of respondents (44%) are using unsolicited feedback sources to understand the experience of their employees. Generally, employee data and feedback is less commonly collected than customer data.

Organizations are still missing out on this opportunity. If they are going to ensure their employees successfully represent their brands, they need to understand and enhance their EX – in particular, those organic thoughts, feelings and opinions that are directly shared through employee and customer interactions.

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AI – the future of CX

So far, we've delved into the current state of CX and the direct impact employees can have on it, but it's also important to also understand the future of CX – and it's clear artificial intelligence (AI) is going to play a huge part in organizations' focus on future-proofing their CX efforts.

For many organizations, AI is already playing a pivotal role – with adoption already relatively widespread. Over 7 in 10 respondents (71%) say that AI technology is fully or partially implemented and being used to collect and analyze data about CX and satisfaction. This technology could be anything from using chatbots, to implementing more thorough AI-powered conversation intelligence software. An additional fifth (21%) say AI implementation is in the early stages, and just under 1 in 10 (8%) haven't yet started implementation, but plan to in the future [Figure 6].

Vertical spotlight:

The retail industry is the most mature in terms of their adoption of AI technology – 44% say this is fully implemented (financial services: 27%; healthcare 28%) while 31% say this is partially implemented (financial services: 38%; healthcare 44%)

Extent to which organizations have adopted artificial intelligence (AI)

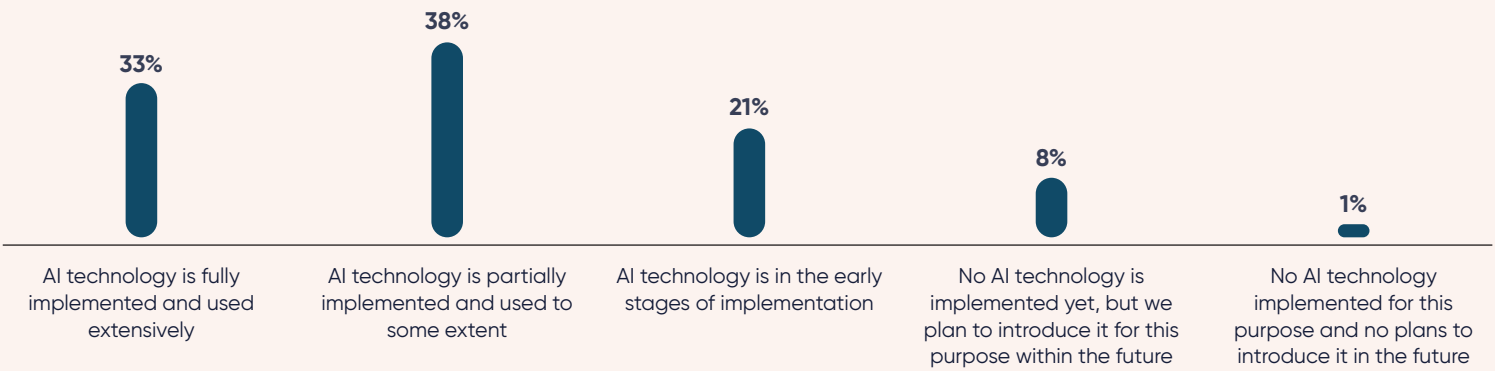| 33%	38%	21%	8%	1%
AI technology is fully implemented and used extensively	AI technology is partially implemented and used to some extent	AI technology is in the early stages of implementation	No AI technology is implemented yet, but we plan to introduce it for this purpose within the future	No AI technology implemented for this purpose and no plans to introduce it in the future

Figure 6: Which of the following best describes the extent to which your organization has adopted Artificial Intelligence (AI), such as AI-powered conversation intelligence software, to collect and analyze data about customer experience and satisfaction? [450]

While some organizations are more mature when it comes to AI adoption and implementation, it's clear that decision makers recognize the value in utilizing this technology to collect and analyze data around CX – especially with the challenges they're facing in this area.

This is further supported by the multitude of benefits organizations have either already experienced or would expect to experience from using AI. The most common benefits are being able to understand what drives customer loyalty and using it to inform CX strategies (40%) or allowing organizations to take steps to improve EX (36%) – both elements that have already been highlighted as critical parts of optimizing customer experience.

Not only are there direct benefits to using AI technology to enhance CX, but the positive impacts of AI implementation can be felt organization-wide among those who plan to or have done so [Figure 7].

Areas the use of AI technology has been/is expected to be positively impacted

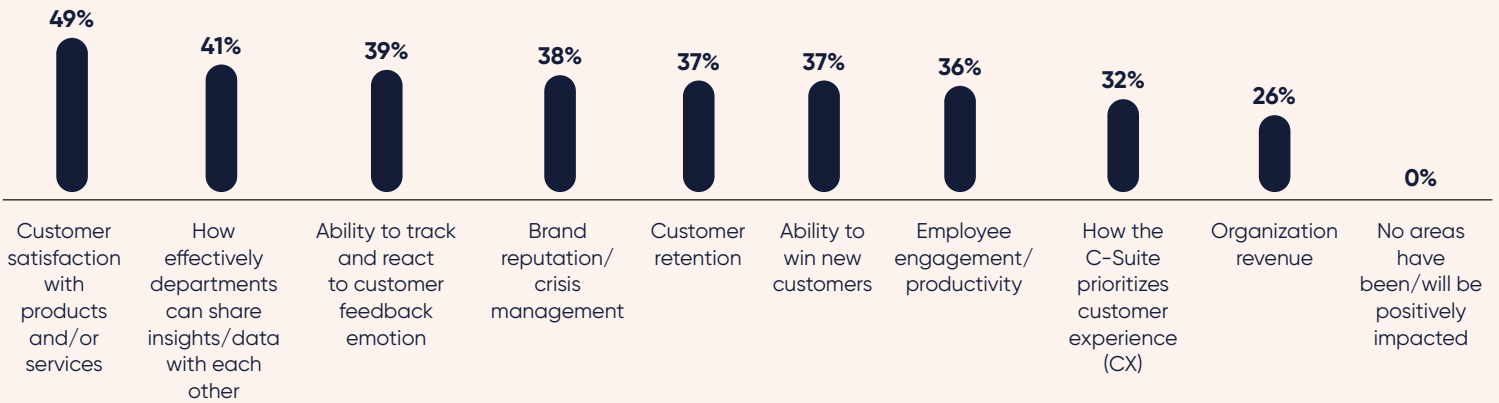| 49%	41%	39%	38%	37%	37%	36%	32%	26%	0%
Customer satisfaction with products and/or services	How effectively departments can share insights/data with each other	Ability to track and react to customer feedback emotion	Brand reputation/ crisis management	Customer retention	Ability to win new customers	Employee engagement/ productivity	How the C-Suite prioritizes customer experience (CX)	Organization revenue	No areas have been/will be positively impacted

Figure 7: In which of the following has the use of AI technology been positively impacted/do you expect to be positively impacted in your organization? [445], asked only to respondents from organizations that at least have plans to introduce AI technology

Some of the key areas to note support the findings explored earlier. Silos exist between CX and customer service teams/departments and the rest of the organization, yet 41% of decision makers have seen/expect that AI will have a positive impact on how effectively departments can share insights/data with each other.

Organizations face challenges with disengaged customer service agents, but over a third (36%) say the same for employee engagement/productivity. These benefits don't come without their challenges, however. Almost all surveyed (96%) organizations face challenges with AI, most commonly around the technology being too expensive and not having the budget (41%) or being too complex for them to implement and manage (41%) [Figure 8].

Challenges faced/expected by using AI to collect and analyze data about customer experience and satisfaction

Challenge	Percentage
AI-powered technology is too expensive and we don't have the budget	41%
It is too complex for us to implement and manage	41%
There is too much data collected, we don't know where to start	36%
It can't catch important nuances, like biases or emotions, like humans can	34%
We don't have staff dedicated to turning the analysis into actionable insight	34%
We don't have staff with the right skillset to make the most of the technology	33%
There are/would be no challenges	4%

Figure 8: Which of the following challenges has your organization faced/would your organization expect to face by using Artificial Intelligence (AI) to collect and analyze data about customer experience and satisfaction? [445], asked only to respondents from organizations that at least have plans to introduce AI technology

It's clear that the barrier for organizations isn't getting them on board with the benefits of this technology, but the support required to help overcome the multitude of investment and implementation challenges they face, and reassurance that this type of technology can effectively address their challenges

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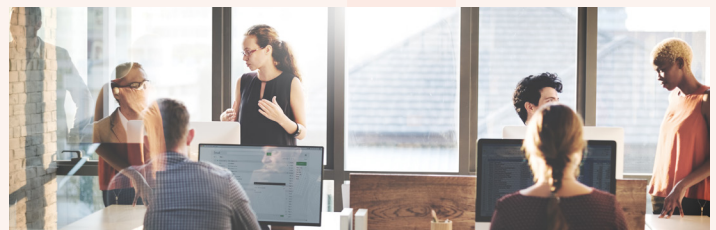
While many organizations are using AI, not all are making the most of it. Almost half (48%) of organizations that currently use AI technology report that they are not fully leveraging its capabilities, leaving them at risk of missing out on the many benefits and falling behind their competition. This further illustrates the need for outside support to help them understand where to start.

Given its widespread adoption, along with proven benefits and positive impact, it's undeniable that AI may already be a crucial component of collecting and analyzing CX data. And it doesn't seem like it's stopping there. The vast majority of respondents (93%) believe the adoption of AI and conversation intelligence will become very important or even critical to how their organizations approach CX in the future.

Even though organizations understand the potential of AI, 1 in 5 (22%) have plans to invest in technology solutions in the future, but aren't sure what technology solutions exist to support them. This shows organizations are likely lost when it comes to their AI investments, and in need of clear support and direction from outside their organizations in order to fulfill their CX needs.

Conclusion

It's clear that most contact center and CX decision makers understand the need to invest in and prioritize CX initiatives. This includes:

- Focusing on collecting more data/feedback related to CX – Many organizations are already capturing a wide range of data, but more is required to generate truly valuable insights and intelligence. This includes more unsolicited data as opposed to primarily focusing on solicited data

- Effectively analyzing customer data – Organizations are still using outdated methods when analyzing the customer data/feedback they do have. It's reducing their ability to identify key trends and adapt to customers' needs, as well as connect the dots to drive enterprise-wide CX improvements that showcase the ROI of their efforts

- Navigating AI challenges – Despite a clear recognition of the benefits of AI, organizations still need more guidance and support to successfully invest in and implement this technology, and reap the full scope of benefits they know to be possible

The journey to becoming a truly customer-centric organization is never over. While many are still in the early stages of their maturity, organizations are doing the work and making the investments required to solve the CX puzzle in front of them and meet the demands and expectations of their customers – now and in the future.
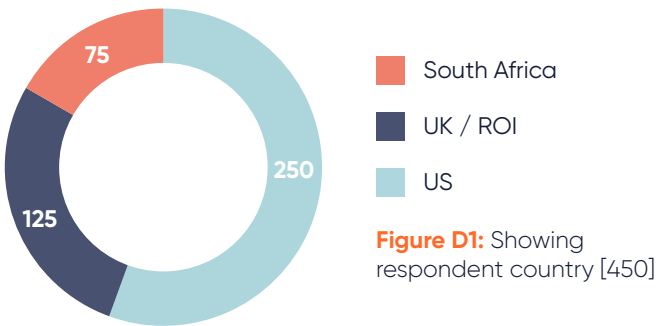
Research methodology

A total of 450 senior decision makers from contact center and CX departments were interviewed in June and July 2022, with interviews in the US (250), UK/ROI (125) and South Africa (75).

Respondents had to be from organizations that had a contact center, with 100 or more employees in total globally, and be part of the healthcare, financial services or retail sectors.

The interviews were conducted online and were undertaken using a rigorous multi-level screening process to ensure that only suitable candidates were given the opportunity to participate.

Respondent country

- South Africa
- UK / ROI
- US

Figure D1: Showing respondent country [450]

Organization sector

100-249 employees	80
250-499 employees	108
500-999 employees	110
1,000-2,999 employees	101
3,000 or more employees	51

Figure D3: : How many employees does your organization have globally? [450]

Organization size

Healthcare (public and private)	162
Financial Services	144
Retail	144

Figure D2: Within which sector is your organization? [450]

About CallMiner

CallMiner is the global leader in conversation intelligence to drive business performance improvement. Powered by artificial intelligence and machine learning, CallMiner delivers the industry's most comprehensive platform to analyze omnichannel customer interactions at scale, allowing organizations to interpret sentiment and identify patterns to reveal deep understanding from every conversation.

By connecting the dots between insights and action, CallMiner enables companies to identify areas of opportunity to drive business improvement, growth and transformational change more effectively than ever before. CallMiner is trusted by the world's leading organizations across retail, financial services, healthcare and insurance, travel and hospitality, and more.

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