Redefining Innovation in CXM: Buyers' Perspective

Customer Experience Management (CXM) Services
Market Report – December 2018: Complimentary Abstract / Table of Contents

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Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

Membership information

- This report is included in the following research program(s)
  - **Customer Experience Management (CXM) Services**
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Background and methodology of the research

Background of the research

Purely product-based differentiation is short term. This, along with margin pressures and the emergence of new players is pushing enterprises to drive innovation through Customer Experience (CX) and contact center services. CX innovation can help enterprises to not only save costs, but also improve customer loyalty and gain competitive advantage in the market. Key components of CX innovation go beyond deploying new technology solutions. They also encompass process-led innovation and a cultural shift within the organization to be more open to innovation.

Digital CX already features among the top priorities for enterprises for the next 12-18 months. They are looking at next-generation solutions such as chatbots, self-service, and advanced analytics as the key areas of investments. Since digital CX innovation has become a key to drive differentiation in the market, enterprises can leverage the support of CXM providers to digitally transform their CX operations. CXM service providers can not only help enterprises in running a digitally transformed contact center but can also play a pivoting role during the design and implementation stages.

In this study, we analyze the role of AI and cognitive solutions in delivering customer experience of the future, we focus on:

- Need for innovation in CXM services
- Growing focus on digital-led innovation in CXM
- Role of CXM providers in driving innovation
- Assessment of CXM providers' innovation capabilities
- Way forward for enterprises and service providers

Overview and abbreviated summary of key messages

This report specifically focuses on the growing role of digital-led innovation in CXM, key demands & expectations from enterprises to drive a digital-led transformation of their CX operations, and the role played by CXM providers in helping enterprises realize their goals and objectives related to digital CX transformation. It also touches upon the way forward for enterprises and CXM providers to drive a successful CX innovation.

Some of the findings in this report, among others, are:

Need for innovation in CXM services	• Purely product-based differentiation is short term. This along with margin pressures and the emergence of new players is pushing enterprises to drive innovation in the way they deliver customer experience and contact center services • CX innovation can enable enterprises to transform their operations by reducing operational costs, as well as improve customer loyalty and gain competitive advantage in the market
Focus on digital-led innovation in CXM	• Digital CX is among the top priorities for enterprises in the next 12-18 months. Close to half of enterprises are already in the implementation stage of their digital CX goals • Majority of the enterprises are already in the planning/POC stage or have started scaling up their digital initiatives
Role of CXM providers in driving innovation	• The CXM providers play an important role in driving digital CX. Enterprises prefer to involve service providers in early stages of their digital CX initiatives to leverage their experience and capability • Service providers engagement goes down to during and after the implementation phase as enterprises prefer a higher degree of control on the operations rather than relying on the third party

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This study offers 5 distinct chapters providing a deep dive into key aspects of the a digitally driven CX innovation; below are four graphics to illustrate the depth of the report

Benefits derived from CX innovation

- Improves customer experience through personalization
- Improves employee experience and productivity
- Creates a unique value proposition for your product

Benefits derived from CX innovation

- Brings down the cost of operation by leveraging technology and process optimization
- Reduces customer effort and time for resolving queries

Focus areas for innovation within digital

Focus area	Value
Chatbots	xx
Self-service	xx%
Advanced analytics	xx%
Omnichannel	xx%
AI/cognitive	xx%
Automation	xx%

Satisfaction level of enterprises with the impact of digital solutions

	Satisfaction*	
Self-service	🙂	xx%
Multi-channel	🙂	xx%
Advanced analytics	😐	xx%
RPA/RDA	🙁	xx%
Chatbots / IVAs	🙁	xx%
Automation/AI	🙁	xx%

Analysis of service providers' innovation capabilities

Strengths
- Responsiveness
- Flexibility
- Business understanding

Areas of improvement
- Next-generation solutioning
- Proactiveness
- Talent management

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Research calendar – Customer Experience Management (CXM) Services

Published ■   Planned ▨   Current release ⌐ ⌐

Flagship CXM Services reports	Release date
Contact Center Outsourcing (CCO) – Service Provider Profile Compendium 2017	July 2017
Contact Center Outsourcing (CCO) – Annual Report 2017	August 2017
Contact Center Outsourcing (CCO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018	June 2018
Contact Center Outsourcing (CCO) – Service Provider Profile Compendium 2018	August 2018
Contact Center Outsourcing Annual Report 2018: Transforming Customer Experience through a Digital-First Approach	September 2018

Thematic CXM Services reports	
Delivering Omnichannel Customer Experience	September 2017
The Philippines Pivoting to Deliver Customer Experience of the Future	October 2017
Chatbots Delivering Enhanced Customer Experience: It is Easy to Get it Wrong	October 2017
The Business Case for RPA and Chatbots in Contact Centers	December 2017
The Evolving Customer Experience Management (CXM) Talent Model: The Rise of the Super Agent	March 2018
Role of AI and Cognitive in Delivering Customer Experience of the Future	March 2018
Contact Center Services for the U.S. Market: Location Strategies for the Digital World	March 2018
Digital CXM Overview: Transforming Customer Experience in a Digital-First World	September 2018
Conversing with AI – Intelligent Virtual Agents (IVA) Market Report 2019	November 2018
Redefining Innovation in CXM: Buyer's Perspective	**December 2018**
CXM Analytics – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018	Q1 2019

Note: For a list of all CXM reports published by us, please refer to our website page

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Additional CXM Services research references

The following documents are recommended for additional insight into the topic covered in this report. These documents either provide additional details or complementary content that may be of interest

1. **Conversing with AI – Intelligent Virtual Agents (IVA) Market Report 2019** (EGR-2018-38-R-2869); 2018. This report is meant to provide IVA buyers, IVA technology vendors, and third-party enablers (for e.g. service providers) a detailed view of the current state of the market. As part of this, the current report provides insights into key developments in the IVA market, adoption trends by geographies, industries & business functions, solution characteristics, vendor landscape overview, and future outlook for 2019-2020

2. **Decoding Digital Customer Experience Management** (EGR-2018-21-R-2791); 2018. This report aims to provide detailed insights into the role of digital solutions in delivering customer experience of the future. It establishes the scope of digital in Customer Experience Management (CXM) services, overview of the digital CXM market, adoption characteristics for digital solutions, and investments required for a successful digital transformation of CXM for enterprises. It concludes by providing a future-oriented outlook of the digital CXM market

3. **Contact Center Outsourcing Annual Report 2018: Transforming Customer Experience Through a Digital-First Approach** (EGR-2018-21-R-2768); 2018. This report will assist key stakeholders (buyers, service providers, and technology providers) understand the changing dynamics of the CCO market and help them identify the trends and outlook for 2018-2019. In this backdrop, the report provides comprehensive coverage of the global CCO market including detailed analysis of the market size & growth, buyer adoption trends, CCO value proposition & solution characteristics, and service provider landscape

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