

# Navigating Uncertainties and Building Operational Resiliency: Customer Experience Management (CXM) State of the Market Report 2021

October 2020: Complimentary Abstract / Table of Contents



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- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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## Background of the research

### Background of the research

With the COVID-19 pandemic hitting China in late 2019 and the rest of the world in early 2020, economies across the globe came to a standstill. Customer experience took a hit, as organizations responded to social distancing and lockdown measures implemented around the world. This report studies the impact of COVID-19 on the Customer Experience Management (CXM) market, initial reactions and measures put in place by buyers and service providers, and capability enhancement measures such as the Work-At-Home-Agent (WAHA) model and cloud-based contact centers. Further, we study adoption trends in the CXM market and the impact of COVID-19 on the market's growth projections, as well as enterprises' changing outlook toward CX outsourcing.

### In this research study, we focus on:

- Impact of COVID-19 on the CXM market
- Growing significance and adoption of the WAHA model
- Digital workforce enablement measures
- Key CX outsourcing trends following COVID-19
- Growth projections and adoption trends in the CXM market

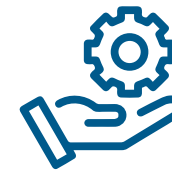
### Scope of this report:



**Geography**  
Global



**Industry**  
All



**Services**  
Customer Experience  
Management (CXM)  
services

## Overview and abbreviated summary of key messages

COVID-19 has brought business continuity into focus, and put service providers' capability, flexibility, and adaptability to the test. This report studies the impact of COVID-19 on the Customer Experience Management (CXM) market, provides an outlook for CXM outsourcing, and growth projections and adoption trends in the CXM market for 2020 and 2019 respectively.

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

### Impact of the pandemic on the CXM industry

- We expect the CXM market to shrink in 2020 in line with observed GDP contraction in the first two quarters, signaling loss of buyer confidence, and subsequent budgetary restrictions. At the start of the pandemic, supply-side constraints further aggravated growth issues
- Service providers displayed operational resiliency during the crisis; more than 70% of CX agents were working remotely at the peak of COVID-19 in April-May 2020

### Emerging trends in CXM during and post the crisis

- Risks from the pandemic have resulted in WAHA being considered an integral part of ongoing Business Continuity Planning (BCP) strategy and a meaningful portion of business-as-usual operations. As enterprises build on confidence gained through working from home during the forced lockdown period, we expect accelerated growth in the WAHA model at the expense of the brick-and-mortar model over the next few years
- Contact centers experienced a drastic shift in their operating models, accelerating the push for digital and self-service solutions such as conversational IVAs and messaging platforms to effectively address needs during the pandemic and the next normal

### CXM industry beyond 2020

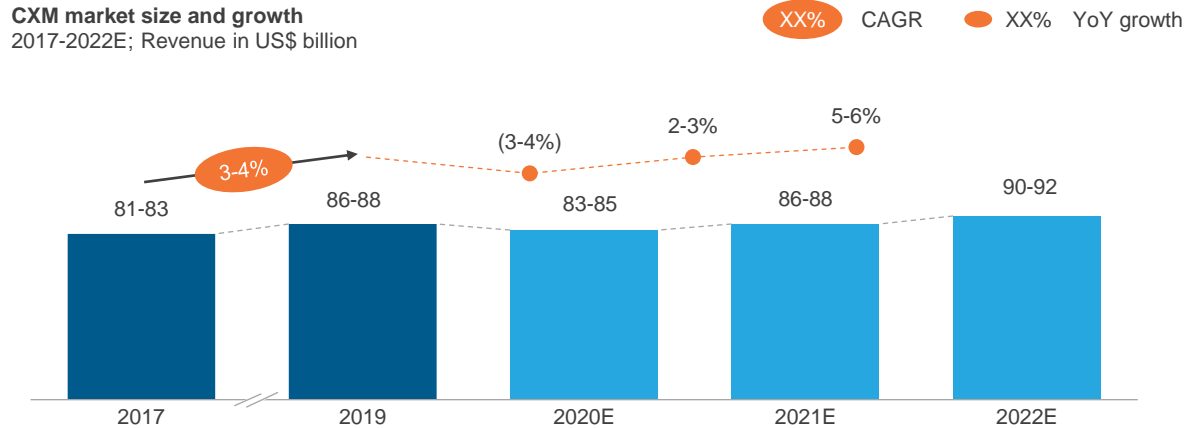
- With business agility and operational resilience being considered as critical levers of business continuity post the pandemic, enterprises are increasingly looking to reduce risk and costs through greater levels of outsourcing
- There is growing interest among new subsegments such as digital-native companies in streaming, gaming, EdTech, FinTech, and e-commerce for CX outsourcing, which are looking for strategic outsourcing partners who can provide superior CX in line with their technology-savvy customers' demands



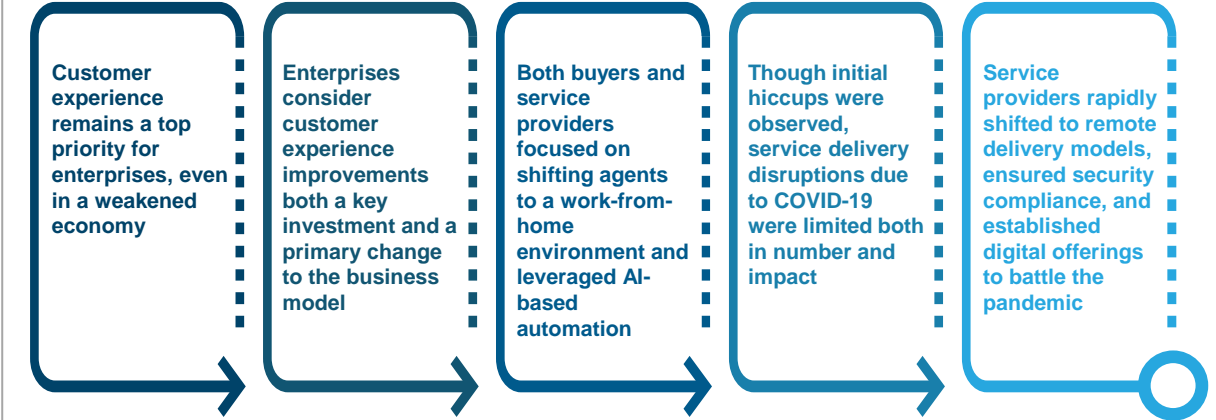
# This study offers five distinct chapters providing a deep dive into key aspects of the CXM market; below are four charts to illustrate the depth of the report

## CXM market overview

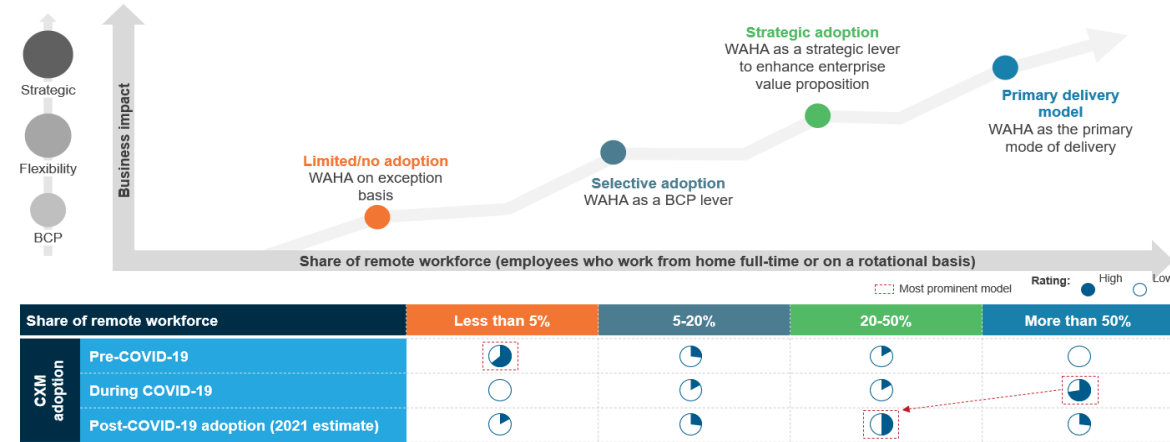
**CXM market size and growth**  
2017-2022E; Revenue in US\$ billion



## Impact of the pandemic on the global economy and contact centers



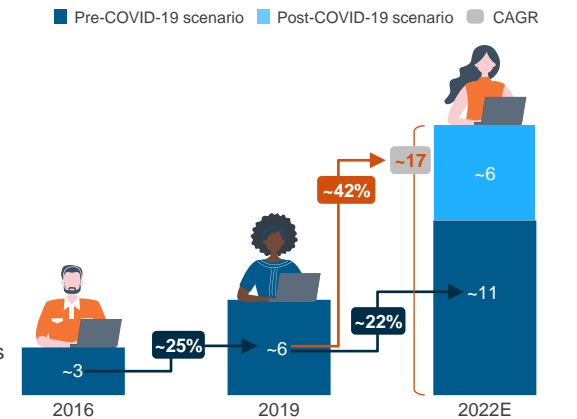
## Acceleration of the WAHA model



## Digital workforce enablement

**Growth of the digital CCO market**  
US\$ billion

- The traditional contact center operating model has changed drastically in the face of COVID-19, accelerating several pre-existing trends with a reinforced push for AI and automation and a preference for cloud-based, modernized infrastructure
- To enable call centers to keep up with increased volumes of customer enquiries while adapting to the pandemic, there has been an accelerated shift toward the use of self-service solutions such as conversational IVAs and messaging platforms





# Research calendar

## Customer Experience Management (CXM)

Published Planned Current release

### Flagship CXM reports

### Release date

Intelligent Virtual Agents Technology Vendor Landscape with Products PEAK Matrix® Assessment 2020	March 2020
Intelligent Virtual Agents (IVA) Technology Vendor Compendium 2020	May 2020
Intelligent Virtual Agents (IVA) State of the Market Report 2020: Conversing with AI	June 2020
Customer Experience Management (CXM) Service Provider Landscape with Services PEAK Matrix® Assessment 2020	June 2020
Customer Experience Management (CXM) Service Provider Compendium 2020	September 2020
Customer Experience Management (CXM) Service Provider Landscape in EMEA with Services PEAK Matrix® Assessment 2020	September 2020
<b>Navigating Uncertainties and Building Operational Resiliency: Customer Experience Management (CXM) State of the Market Report 2021</b>	<b>October 2020</b>
Customer Experience Management (CXM) Market Report on Europe, Middle East, and Africa (EMEA) 2020	Q4 2020
WAHA Customer Experience Management (CXM) Service Provider Landscape with PEAK Matrix® Assessment 2020	Q1 2021

### Thematic CXM reports

### Release date

Achieving High Value through a Total Cost of Operations (TCO) Pricing Model	November 2019
Orchestrating Successful WAHA-based Delivery	January 2020
Impact of Recession on the Business Process Services (BPS) Industry	January 2020
WAHA Adoption Trends – Impact of COVID-19	August 2020
Real-time Listening, AI, and Automation in CXM	Q4 2020
Contact Center as a Service (CCaaS) Market Report	Q4 2020

Note: For a list of all of our published CXM reports, please refer to our [website page](#)



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