

Capturing the Post-pandemic Resurgence: Customer Experience Management (CXM) State of the Market Report 2023

December 2022: Complimentary Abstract / Table of Contents



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Background of the research

As the world works to leave the pandemic behind, it faces new challenges due to the uncertainty presented by the recession. In the meantime, investment in improving customer experience continues unabated as service providers improve their product/service offerings to cater to evolving buyer demands. Enterprises are partnering with service providers for transformation consultancy services, business operations management, and market insights to create competitive differentiation. This report discusses the effects of post-pandemic recovery on the overall CXM market in 2021 and the drivers of regional market growth in the Americas, EMEA, and APAC regions including digital CXM, outsourcing spending by geographies and industries, service delivery models, and emerging locations. In addition to this, the report covers the factors that are differentiating service providers, buyer satisfaction performance, key investment themes, and the major acquisitions that have happened and their impact on the CXM market. The report also examines the major trends shaping the future of CXM outsourcing.

In this research study, we focus on:

- A retrospective outlook on the effects of post-pandemic recovery on CXM outsourcing through a global lens
- Overview of the outsourcing spending trends in the three regional CXM markets – Americas, EMEA, and APAC
- Changes in the competitive landscape post the pandemic
- Evaluation of service providers according to buyer satisfaction levels
- Major trends shaping future CXM outsourcing

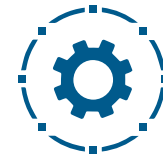
Scope of this report



Geography
Global



Industry
All



Services
Customer Experience
Management (CXM)
services

Summary of key messages

Global market view

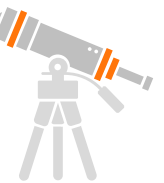
- After slow growth in the black swan event year of 2020, the global contact center market rebounded quickly in 2021, with the fastest Year-on-Year (YoY) growth in recent history. CX outsourcing, which currently stands at 31% of the overall CX market, will continue to grab share from the in-house contact center market
- The market grew by 12-14% in 2020-21 and total outsourcing spending stood at US\$101-102 billion in 2021. However, growth is expected to normalize over the next few years beginning from 2022
- New-economy enterprises leveraging superlative CX as their strategic differentiator, emerging new source & delivery geographies, and widespread adoption of non-voice channels are driving growth for CX outsourcing
- Due to fears of an impending recession, enterprises will seek to reduce operational overheads, while focusing on negotiating short-term and low-cost deals with their existing service providers who are looking to consolidate their provider portfolio

Regional trends

- The Americas region accounts for 51% of the global CXM market. While it has grown significantly at a rate of 9-11% in 2020-21, we expect that the growth rate will begin to normalize in 2022
- EMEA accounts for 33% of the global CXM market. Across the three major geographies, this region has grown most rapidly at 17-19% in 2020-21
- APAC accounts for 16% of the global CXM market. It had a relatively modest growth of 10-12% in 2021 as most economies in this region were still recovering from lockdowns and curbed consumer spending

Competitive landscape & future outlook

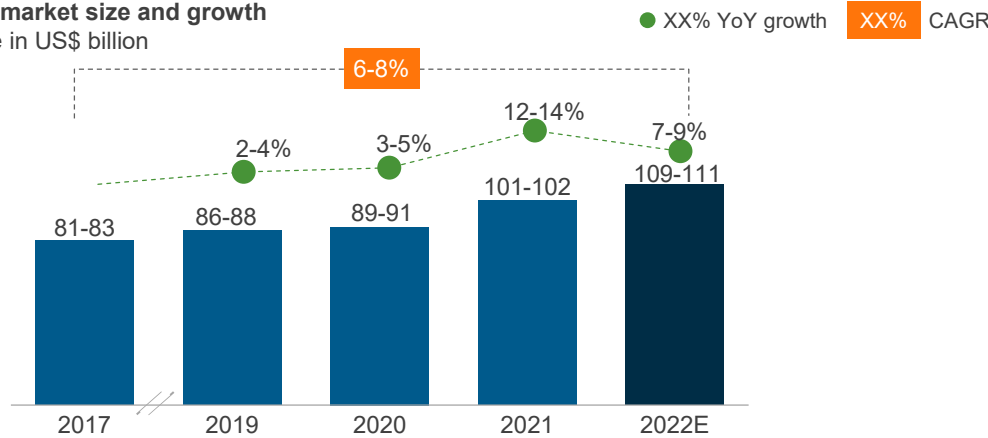
- Continuing the consolidation trend from the last few years, the CXM industry has experienced several mergers and acquisitions in 2022, which are mainly focused on expanding existing geographic presence and portfolios and unlocking new capabilities
- Service providers are offering specific solutions and services to high-growth start-ups by highlighting strong domain and client expertise and focusing on their goals, pain points, and aspirations
- The future of CXM service delivery will be defined by a combination of locations, technology, and delivery models to create unique solutions that are flexible, scalable, and tailored based on each enterprise's requirements
- Multiple new multilingual hubs have emerged in the Eastern European region. The linguistically diverse ASEAN region is also being looked at by global providers to unlock Asian language capabilities
- CX delivery from Africa is expected to show strong growth due to the increasing demand from customers in MEA to provide quality CX and other enterprises wanting to diversify their service delivery footprint by shifting work away from India and the Philippines
- Through metaverse, service providers will enjoy an incredible degree of flexibility in terms of customer support, moderation, business integrity, customer engagement, marketing, innovation, and automation



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

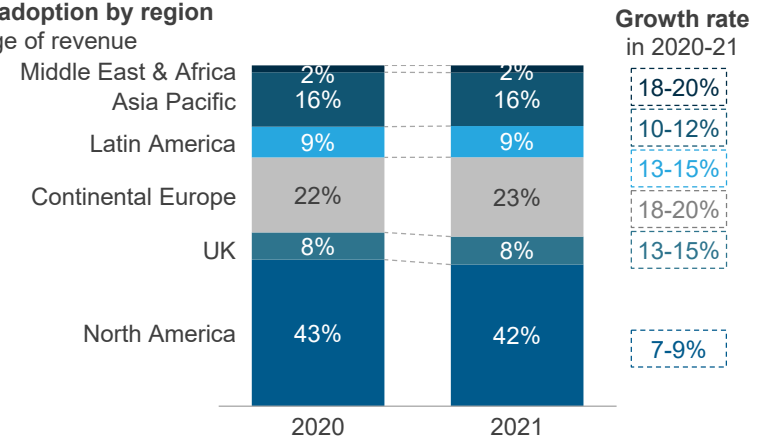
CXM market overview

Outsourced CXM market size and growth
2017-22E; revenue in US\$ billion



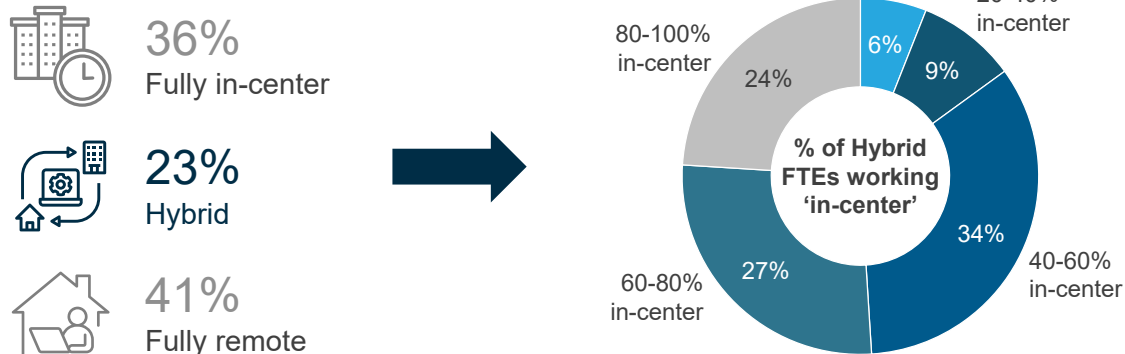
CXM regional market overview

Outsourced CXM adoption by region
2020-21; percentage of revenue



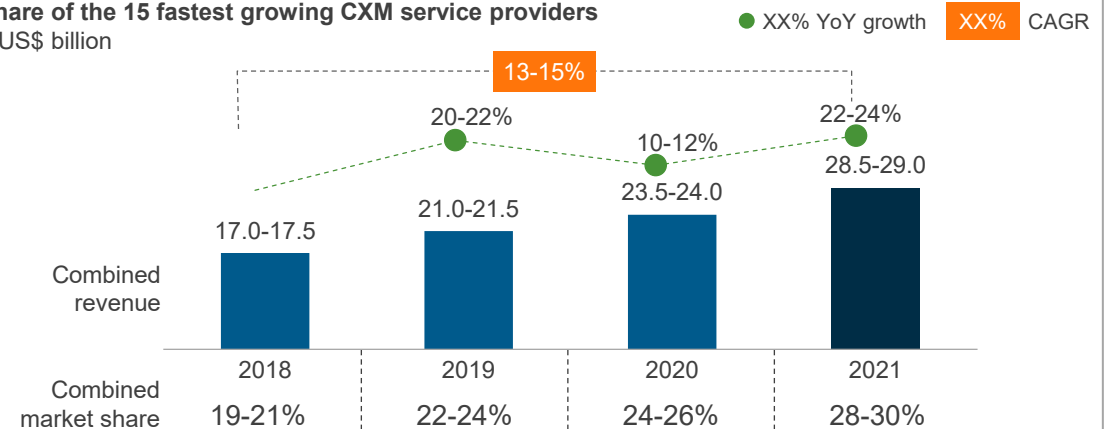
CXM service delivery

CXM workforce service delivery models
2021; WAHA delivery



Competitive landscape

Market share of the 15 fastest growing CXM service providers
2018-21; US\$ billion



Research calendar

Customer Experience Management Services

Published Planned Current release

Reports title	Release date
Transforming Customer Experience (CX) Operations	July 2022
Catering to Global Customer Experience Management (CXM) Requirements: What It Means to Be a Truly Global Service Provider	July 2022
Navigating the Digital CXM Transformation Journey	August 2022
Customer Experience Management (CXM) in Americas – Service Provider Landscape with PEAK Matrix® Assessment 2022	August 2022
Customer Experience Management (CXM) in APAC – Service Provider Landscape with PEAK Matrix® Assessment 2022	August 2022
Customer Experience Management (CXM) in EMEA – Service Provider Landscape with PEAK Matrix® Assessment 2022	August 2022
Improving Customer Experience in Contact Centers through Next-gen Analytics and Insights	September 2022
How are Leading Organizations Delivering Exceptional Customer Experience (CX)?	October 2022
Capturing the Post-pandemic Resurgence: Customer Experience Management (CXM) State of the Market Report 2023	December 2022
Customer Experience Management (CXM) in Americas – Service Provider Compendium 2022	Q4 2022
Customer Experience Management (CXM) in APAC – Service Provider Compendium 2022	Q4 2022
Customer Experience Management (CXM) in EMEA – Service Provider Compendium 2022	Q4 2022
Conversational AI Technology Vendor Landscape with Products PEAK Matrix® Assessment 2022	Q4 2022
Customer Experience Management (CXM) in Healthcare – Service Provider Landscape with Services PEAK Matrix® Assessment 2022	Q4 2022
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