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Boost Customer Experience Success With A Unified Approach

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Overview

In the age of the customer, businesses must improve customer experience (CX) proactively or intervene in real time when experience problems occur. Unfortunately, existing tools and organizational processes inhibit the selection, sharing, and execution of the CX insights needed to do so. To overcome the insights gap, businesses need a comprehensive, single view of the customer fueled by data from across channels and departments.

In 2021, Sprinklr commissioned a custom study from Forrester Consulting to understand how decision-makers use data insights to deliver better customer experiences.

Key Findings

Firms are looking to create better, more secure, and seamless customer experiences (CX), yet many struggle to do so.

Over 40% of respondents reported that their organizations are unable to aggregate and use customer data, despite a need for effective customer insights. Ninety-three percent of respondents said their organizations are missing key features from their customer experience management (CXM) platform.

A unified CXM platform — which spans internal teams and customer channels — can help organizations better collaborate, integrate customer data, improve real-time CX, and gain a competitive advantage.

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CX Is A Top Priority For 82% Of Decision-Makers

Firms need to provide a customer experience (CX) that either meets or exceeds customer expectations. Companies with better customer experience drive better business results: Firms with higher-quality CX grow revenue faster than competitors with lower-quality CX.[1]

CX strategy continues to be a top priority for firms year after year. Sixty-five percent of CX decision-makers said that their organizations are prioritizing their CX strategy more than last year. Eighty-two percent said their organizations will make CX strategy a critical or high priority in the upcoming year. Top goals for firms' CX strategy are to improve the quality of CX, ensure secure and seamless customer experiences, and increase revenue.

"Over the next 12 months, what are the top objectives of your organization's customer experience strategy?"

Improve the quality of the customer experience
58%

Ensure customers have secure and seamless experiences
51%

Increase revenue
51%

Minimize security risk
43%

Align business functions/departments to better serve the customer
42%

Improve the quality of the employee experience
41%

Explore new business models/revenue streams
38%

Build reputation as a trusted brand
**33%**

Firms Aren't Delivering Great CX Yet

While businesses recognize the importance of CX, great CX is still very rare.[2] According to Forrester's 2021 CX Index, the majority of US brands provided an okay experience, which means that their CX was undistinguishable from their competitors and left consumers feeling indifferent. No brand provided an excellent experience.[3]

Respondents in our study reported that their organizations struggle with a series of CX problems: 48% say that CX is highly fragmented across multiple channels. Over 50% struggle to address one-on-one customer interactions on digital channels, while nearly half fail to recognize opportunities for CX improvements in real time and 40% struggle to proactively address and detect crises. That's a major roadblock, since crises that aren't resolved in a timely manner will grow in severity and lead to customer or revenue churn.

"How much do you agree with the following statements about your company?"

○ 5 = Strongly agree   ● 4 = Agree

24% –48%
34% –56%
32% –49%
25% –40%
24%
22%
17%
15%
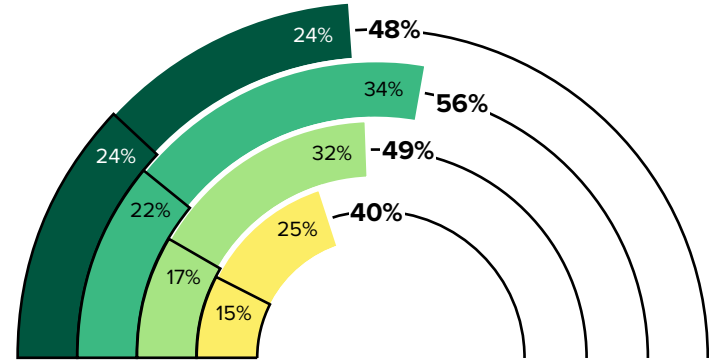
■ "Customer experience is highly fragmented across multiple channels."

■ "We struggle to address one-on-on customer interactions on digital channels."

■ "We fail to recognize real-time opportunities to improve customer experience."

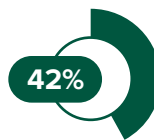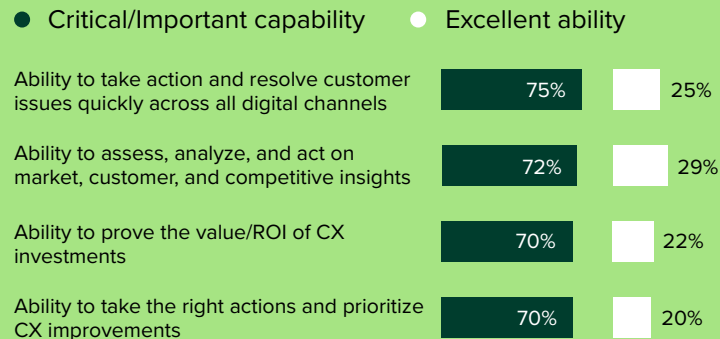■ "We struggle to respond to and detect crisis situations before they become a problem."

Base: 310 global decision-makers of their organizations' CX strategy
Source: A commissioned study conducted by Forrester Consulting on behalf of Sprinklr, May 2021

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Firms Face Multiple Hurdles to Deliver Great CX

Organizations are inundated with customer data, but many fail to identify what matters most to their customers and business. They struggle to get clean and relevant data, derive useful insights, and translate those insights into real-time and strategic CX improvements.[4]

Over 70% of CX decision-makers found quickly resolving customer issues across digital channels and acting on competitive insights as very important. Yet less than 30% said that their organizations execute these capabilities well. Forty-two percent agreed that their organizations' customer data is highly fragmented across departments and 44% don't have a great way of deciphering unstructured data. Forty-six percent don't feel their current tools provide a comprehensive, single view of the customer. If businesses don't understand their customers, they can't implement impactful CX improvements and insights.

Importance Of Each Customer Management Capability Vs. Ability To Execute In Each Of These Areas

● Critical/Important capability   ○ Excellent ability

Capability	Critical/Important capability	Excellent ability
Ability to take action and resolve customer issues quickly across all digital channels	75%	25%
Ability to assess, analyze, and act on market, customer, and competitive insights	72%	29%
Ability to prove the value/ROI of CX investments	70%	22%
Ability to take the right actions and prioritize CX improvements	70%	20%

42%
"Customer data is highly fragmented across departments."

44%
"We don't have a great way of deciphering unstructured data (e.g., blogs, forums, ratings, reviews, social)."
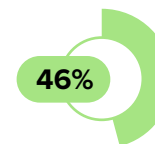
46%
"We don't feel our current tools provide a comprehensive, single view of the customer."

Base: 310 global decision-makers of their organizations' CX strategy
Note: Showing top 4
Source: A commissioned study conducted by Forrester Consulting on behalf of Sprinklr, May 2021

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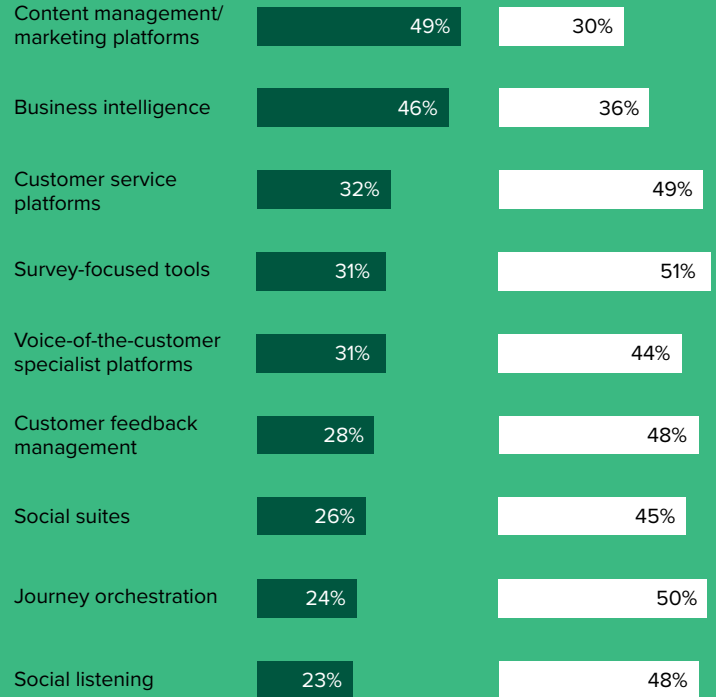**Challenges**

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Centralizing Your Data is Imperative for Successful CX Execution

Firms need to break down organizational silos and leverage technology to address data and insight challenges. But less-than-optimal tech stacks contribute to these data and organizational silos. While decision-makers reported that their organization uses a number of tools to support their CX strategy, more than 90% said these tools are missing features.

Instead of optimizing their tech stack, decision-makers rely on familiar tools. Firms still plan to add more tools to collect data, but instead firms should share the data they have across their tools and departments to make more informed decisions. Organizations need to reevaluate their tech stack, adopt the technology that best addresses their needs, and make sure their CX teams understand how to use the available tools.

"What technologies or tools is your organization using or does it plan to use to support its customer experience strategy?"

● Currently using   ○ Planning on using

	Currently using	Planning on using
Content management/ marketing platforms	49%	30%
Business intelligence	46%	36%
Customer service platforms	32%	49%
Survey-focused tools	31%	51%
Voice-of-the-customer specialist platforms	31%	44%
Customer feedback management	28%	48%
Social suites	26%	45%
Journey orchestration	24%	50%
Social listening	23%	48%

Base: 310 global decision-makers of their organizations' CX strategy
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Bloated Tech Stacks Create CX Operational Challenges

Over 90% of respondents felt that their organizations' current CX management platform is missing features. CX decision-makers want a secure, seamless, and insights-driven customer experience. Minimizing security risk is a popular CX objective, so it's no surprise that three out of the top six features respondents said their organizations are missing from their CX management platform are related to security.

Firms want to use AI capabilities to manage risk, improve data privacy, and improve customer data governance. The remaining features echo CX decision-makers' desire for unified, collaborative, and improved data use: integrating with existing CX technology, sharing insights and collaborating with other customer-facing departments, and aligning unstructured data with customer data. The right tools can revise organizational processes and promote more effective CX improvements.

"What features are missing from your customer experience management platform that would address your customer experience execution challenges?"

1 Advanced AI capabilities to manage risk and efficiency

2 Better data privacy

3 Seamless integration with existing customer experience technology

4 Ability to share insights and collaborate with different customer-facing departments

5 Better customer data governance

6 Ability to align unstructured data with customer data

93% feel they are missing features from their customer experience management platform.

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Firms Expect To Leverage Unified Customer Experience Management Platforms As A Competitive Advantage

Organizations need to reevaluate their CX strategy to achieve the CX goals they have for next year. Implementing a unified customer experience management platform that breaks down data, organizational, and customer management silos is one way to support those goals. Thirty-nine percent of respondents shared that their organizations would be very likely to implement such a solution if it was made available. Respondents said that a unified CX management platform would yield a competitive advantage and untapped business benefits, including increased security, the ability to inform and act on CX insights, improved customer experience and satisfaction, more collaboration, happier employees, and more revenue.

"To what extent do you expect your organization would receive the following benefits from a unified customer experience management platform that spans both internal teams and customer channels?"

● Transformational benefit

31%
Increased customer satisfaction

28%
Competitive advantage

28%
Real-time improved customer experience

28%
Better collaboration

27%
Decreased security risk

26%
Improved ability to meet customer experience goals

26%
Integration of customer data across departments

25%
Higher revenue

23%
Ability to proactively address customer experience issues before they escalate

22%
Decreased brand risk

21%
Ability to glean actionable customer insights

21%
Improved employee experience

Base: 310 global decision-makers of their organizations' CX strategy
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Organizations understand that insight-driven strategies and actions are the key to CX success, but siloed data, inefficient processes, and a complex and disconnected stack of customer experience tools hobble many organizations.

CX decision-makers want more out of their organizations' customer experience management platforms. Organizations want more capabilities to optimize their data utilization and privacy from their customer experience tools.

A unified customer experience management platform spans both internal teams and customer channels, breaking data, organizational, and customer management silos. It has the potential to help firms better collaborate and integrate customer data, improve real-time CX, and gain a competitive advantage, extending benefits to customers, employees, and the business.

Project Director:

Sandy Liang,

Market Impact Consultant

Contributing Research:

Forrester's customer experience research group

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Methodology

This Opportunity Snapshot was commissioned by Sprinklr. To create this profile, Forrester Consulting conducted a custom survey with 310 global decision-makers of their organizations' customer experience strategy from the US, Canada, the UK, Germany, France, Singapore, Australia, and New Zealand. The custom survey began and was completed in May 2021.

ENDNOTES

[1] Source: "Why And How To Lead A CX Transformation," Forrester Research, Inc., January 27, 2021.

[2] Source: "Improving CX Through Business Discipline Drives Growth," Forrester Research, Inc., January 25, 2021.

[3] Source: Ibid.; "The US Customer Experience Index, 2021," Forrester Research, Inc., June 1, 2021.

[4] Source: "Turn Data Into Insights With Customer Analytics," Forrester Research, Inc., November 20, 2020.

ABOUT FORRESTER CONSULTING

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Demographics

REGIONS	
North America	**49%**
EMEA	**34%**
APAC	**17%**

NUMBER OF EMPLOYEES	
1,000 to 4,999	**50%**
5,000 to 19,999	**42%**
20,000 or more	**8%**

TITLE	
C-level	**7%**
Vice president	**22%**
Director	**71%**

TOP 5 INDUSTRIES	
Retail	**8%**
Financial services and/or insurance	**8%**
Telecommunications services	**7%**
Healthcare	**7%**
Construction	**7%**