



INSIGHTS
DRIVEN BY DATA 

Executive Guide

2020 Global Customer Experience Benchmarking Report

The connected customer:
delivering an effortless experience

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In this Executive Guide to the NTT 2020 Global Customer Experience Benchmarking Report, we look at some of the main themes related to CX business outcomes and how they apply to organizations seeking to create CX that truly does set them apart.

We trust this information is useful to you as you work towards designing and building an integrated approach to effortless CX.

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Foreword

This year's Report is subtitled 'The connected customer – delivering an effortless experience'. Our experts uncover how customers expect a hyper-personalized, effortless experience, but poor strategic execution is thwarting progress. The results show that CX is still recognized as a clear differentiator (by 81.6% of organizations) and the number one indicator of strategic performance. Board-level accountability for CX is rising, yet only 12.1% say customers rate their CX at a promoter level. Boardrooms need to follow through on sentiment and ensure that CX strategies are clearly formulated, managed and delivered.

The Global Customer Experience Benchmarking Report was first published in 1997. In addition to providing data-driven insights into industry trends, one of the strengths of the Report is the commentary our subject matter experts provide on the research findings.

This is the first year the Report is being published under the NTT Ltd. brand and we're pleased to present a collection of perspectives from thought leaders with diverse experience within the NTT Ltd. Group. We also have more contributors sharing their insights and discussing what the trends mean, based on their work with clients from a vast range of industries across the globe.

Focusing on business outcomes

CX may once have been the sole responsibility of the contact center but our research results over the last few years have shown this is clearly no longer the case. Rather, it's an enterprise-wide deliverable that requires a clear, integrated strategy and well-defined execution across the organization.

This year, we've adapted the themes of the Report to focus on five key business outcomes for CX:

- **Understand** your customers by adopting an experience-centric business strategy, supported by strong customer analytics.
- **Personalize** the customer experience through innovative insight frameworks, with marketplace and CRM capability.
- **Engage customers** with appropriate and connected omnichannel solutions.
- **Automate** intelligence using advanced process workflow automation, robotics and AI.
- **Optimize** your performance with technology, workforce optimization and employee engagement.

Underpinning all these outcomes is **strategy and leadership**. Some organizations are struggling and some are having doubts. But those that are committed, planning and executing well are widening the gap between others.

An integrated approach to effortless CX

There's a substantial gap between the top-quartile performers and their industry peers. The top performers are setting the benchmark others should aspire to. Those falling behind will only become more vulnerable – hence the need to act and transform now.

- Ease of resolution still counts most when it comes to customer satisfaction. Listen to what your customers are saying and channel their feedback to every area of the organization that needs it.
- Focus on connecting with your customers the way they expect, across channels they wish to engage on, while providing a seamless and effortless journey.

A clear strategic design and fluid ecosystem for CX, guided by voice of the customer feedback, will help you better connect with and remain relevant to your customers, at every touchpoint.



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To remain relevant in a complex, changing environment, you need to...



...to create more value for your customers and business.



**Lead with
strategy**

From detractor to differentiator: the case for effortless CX

An optimized strategy needs an organized execution framework that reaches all employees at the frontline of customer interactions.

Top trends



81.6% of organizations agree CX offers a **competitive edge**, 58.0% say it's their **primary differentiator**, yet just 14.4% say it forms a crucial part of **organizational strategy**.



Only 26.2% say the **value of CX** is fully defined and tracked.

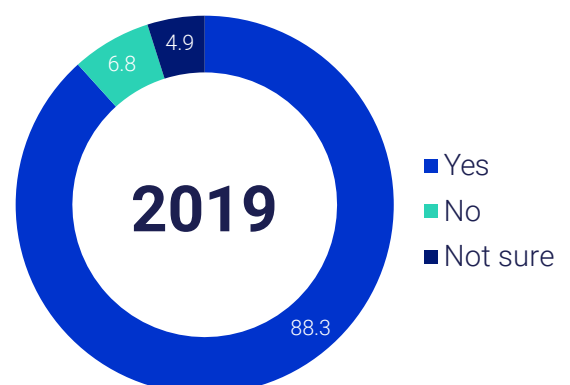
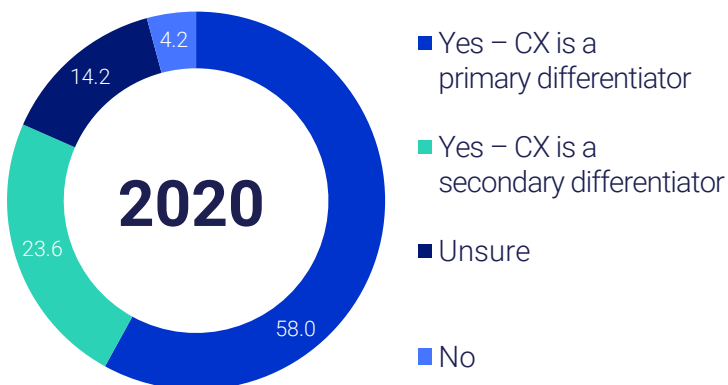


Rising by 36.5%, some 44.5% of organizations now operate **structured voice of the customer programs** to drive CX **improvement and innovation**.

Is CX considered a competitive differentiator?

81.6% acknowledge CX offers a competitive edge and 58.0% consider it a primary differentiator

While headline appreciation levels have remained relatively consistent since 2015, organizations unsure of CX value have almost trebled to 14.2%, meaning one in seven have doubts.



Does your organization consider CX to be a competitive differentiator? **n=1,012**

It's encouraging that organizations continue to recognize CX as a core differentiator. Other **positive signs** are the increase in board-level representation of CX and decline in the number of organizations that lead CX channel by channel. However, these high-level actions have **yet to cause material change** in CX for most organizations. There's been **limited progress** in integrating digital initiatives with contact center initiatives, and using data, analytics and AI to influence and impact CX.

Do you have intelligent processes that enable proactive CX?

The number of organizations now dissatisfied with their CX capability has grown to 26.9%, a rise of 15% from last year.

Proactive CX reduces customer effort and frustration and increases advocacy.

Effortless CX anticipates what customers want to know and delivers relevant content at the right time to reduce contact in. Once you understand why customers contact you in the first place, you can design digital environments that use data and automation intelligently to generate relevant, proactive content, and make it easy to break out to alternative channels.

Translating CX aims into practical actions is where many organizations falter. **People need to know what to do, what they're being measured on, and how it all links back to the strategy.**

Is automation used appropriately?

Prestige brands and organizations that have optimized their CX strategies vote AI as the top factor to reshape their CX capability during the next five years.

Integrate the automation of CX with the side where people engage with customers, and harmonize the information feeding into CX processes.

Analytics, automation and AI have seen a huge focus as organizations strive to create personalized, proactive and highly effective self-service that will displace legacy ways of doing things. But for most, the implementation has not matched the aspiration. Be smart about where and how you introduce automation in your CX design, and which contacts you treat with which channels and technologies.

How are employees informed and incentivized?

Tracking of employee brand satisfaction is on trend, rising 22.2%, but just 25.6% of organizations ensure employees understand the big picture, the direction of the business and how they plan to get there.

To change culture and behaviour, use the right metrics at the right time and place.

Getting people to understand your CX strategy and be on board with what you're trying to achieve is an important step towards creating effortless CX that benefits both your customers and your organization. Translating those CX aims into practical actions is where many organizations falter. Creating the right culture and behaviour requires two forms of metrics: those that inform behaviour and those that incentivize it. To transform CX aspirations into effective execution, people need to know what to do, what they're being measured on, and how it all links back to the strategy.

A lesson from the field

Effortless CX, delivered to your doorstep

Delivery businesses are an excellent example of CX that's so effortless, you hardly think about how you're using it.

Once you've placed an order, there's very little for you to do. You receive a link to track the progress of the order and change the safe place for delivery, if you want to. You may even receive a photo of where the package has been delivered.

The whole process is designed to be so straightforward that the underlying complexity is invisible to you, the customer. But think of everything that goes into making this work:

- integrating the delivery system with the website
- sending proactive notifications and visual updates
- offering customers choice
- enabling quick access to support, if needed

These are all characteristics of proactive CX built around a well-designed customer journey that's been integrated with relevant technologies.

Conclusion

The performance of organizations in the top quartile shows that all these things are possible. To reach those same heights, make effortless CX your goal. Listen to your customers and benchmark your progress against the organizations making significant progress in this area. Understand the value, risks and opportunities of CX to be personal and proactive. Harness data, design intelligent processes and implement automation and AI at appropriate points.



**Understand
customers**

Be personal and proactive. Harness data to act.

Data management is one of the most important and innovative areas for organizations seeking to realize the benefits of a CX strategy.

Top trends

73.6%

73.6% of organizations operate without **enterprise-wide CX analytics** systems.

50.3%

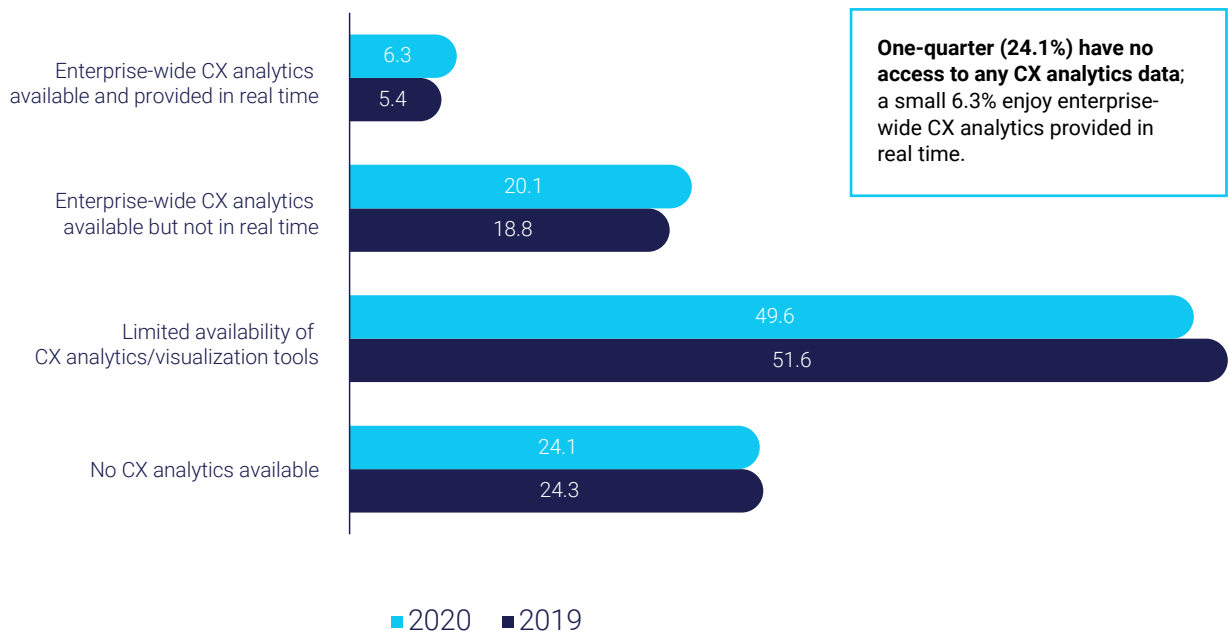
50.3% are not aligning **data capture** needs with desired **business outcomes**.

32.1%

Just 32.1% say they're able to perform **analysis** that considers data **relationships across CX touchpoints**.

What is the coverage level of CX analytics systems?

Three-quarters (73.6%) operate without enterprise-wide CX analytics systems



How do you use analytics and data visualization tools to gain a consolidated view of CX? n=607

The more options customers have to engage with your brand, the more data they generate. Most organizations provide multiple channels for customers to consume their services. **To make sense of all the data these interactions generate**, and raise the bar in intelligent and productive customer engagement, focus on customer outcomes when deploying data management platforms that integrate information. It's the only way to turn huge volumes of data into intelligence you can trust and act upon.

How solid is your data foundation?

With only 58.2% of organizations having access to data visualization intelligence reports and dashboards, and 39.7% having access to big-data systems, it's clear there's a limited ability to convert collected data into actionable intelligence.

Data quality and governance are essential to creating CX with confidence.

Every customer touchpoint produces data that can deliver insights to feed into your CX strategy...if you can get to them. In many organizations, large data lakes filled with unanalysed dark data have become 'data swamps'. Clearing these swamps is critical to building a complete, enterprise view of your customers and business, across all data assets.

Is there a clear line of sight between technology decisions and business outcomes?

The number of organizations using CX intelligence to inform product and service improvement has almost doubled in the last 12 months.

A business strategy driven by data will ensure CX efforts point in the right direction.

Without a clear view of how people and technology will optimize CX, your efforts will likely result in customer frustration rather than satisfaction. It's therefore critical to understand how CX fits with your overall strategy and define what 'better customer engagement' looks like for your organization, end to end.

Does your organization understand what data it has and how it is used?

Just 31.8% of organizations are leveraging technology to help integrate their data management systems and enable a single view of performance.

To ensure your organization's CX strategy gets started down the right path, you'll need to take a good look at your data management practices.

Delivering integrated insights across all customer engagement platforms requires a fundamental shift in approach. Data-centricity needs to filter from leadership and operating models all the way through to the transformation of platforms, processes and data stores.

Does your architecture support a connected ecosystem?

Only 23.4% of organizations maintain a data lake that is aggregated, managed and analysed by a dedicated team, ensuring an enterprise-wide view of data and performance correlations.

Business processes and business insights converge on a single data platform.

A hybrid architecture is the most common form of cloud solution and the biggest focus area for growth in CX technology. Most organizations use different platforms for different functions, hosted in the cloud or on premises. The key is to connect all that data in one platform, with intelligence at the center, to support both operational and analytical workloads in real time. This fluidity of data will help you move the needle for the organization as you innovate and test new customer-centric approaches.

A lesson from the field

Taking a data-driven approach to CX will require deep and lasting culture change.

- Determine the **value and relevance** of data as it applies to your organization's strategy, performance, CX and employee experience.
- Identify **key personnel** and **executive sponsors** to fly the data flag.
- Work towards establishing a **community** of people who will build, retain and grow the organization's knowledge of data, data management and related processes.
- Build an **open-minded learning organization** that's guided by agile and effective data governance.
- Put **data at the center of your organization** to improve knowledge about your customers and processes.

Conclusion

Taking an iterative approach to implementing CX solutions will help you realize a return on investment, fast – provided you can use data to make improvements on the fly. This approach will go a long way to building an agile CX ecosystem that allows you to change direction as needed, always with a line of sight back to business outcomes.

A low-angle, wide shot looking up from the bottom of a circular stone structure. The walls are made of dark, rectangular stone tiles. A large, irregular opening at the top reveals a bright, sunlit scene with a large, leafy green tree and a clear sky. A man in a blue shirt and dark pants stands on a curved metal railing at the bottom, looking up towards the opening. The text "Personalize experiences" is overlaid in white on the left side.

**Personalize
experiences**

Deliver the exception, not the rule

Personalization remains critical to achieving customer connectedness and extending customer lifetime value. To show that you value your customers, present personalized offers based on what they value.

Top trends

76.8%

The number of organizations advancing some form of **personalization capability** has surged, rising from 50.3% to 76.8% in one year.

27.7%

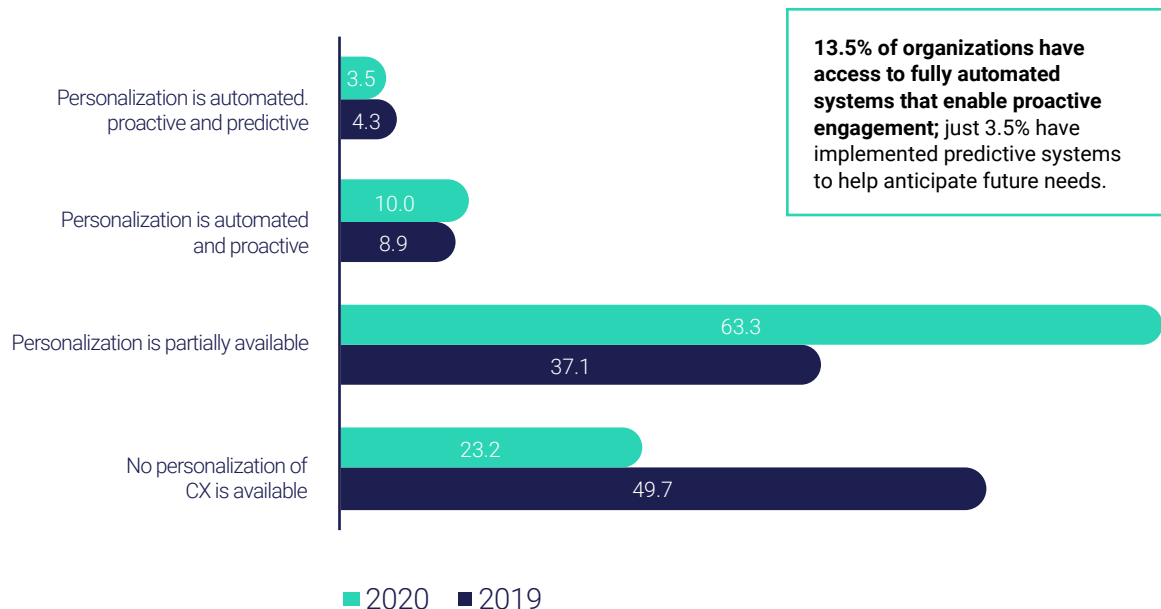
Only 27.7% have access to **context-based advice** that directs relevant customer engagement based on recent contact.

13.5%

13.5% have access to fully automated systems that enable **proactive engagement**; 3.5% of these have implemented predictive systems to help anticipate future needs.

To what extent is CX personalized?

The number of organizations advancing some form of personalization capability has surged, rising from 50.3% to 76.8%



To what extent are you able to personalize your customer experiences? n=630

Although enterprise resource planning (ERP) has many moving parts, you're still working within a limited, defined set of boundaries. This is not the case with customer relationship management (CRM). **Because you're dealing with psychological entities – people – you need different rules for defining CX strategies with flexible methodologies.**

Does the customer journey play a key role in your technology implementation?

Experience management will become increasingly important to operational and technology decisions. Bridge political, business and modality silos.

For now, less than half (47.3%) consider CX customer satisfaction data as a key measurement on the effectiveness of technology projects.

Organizations are placing an increasing focus on experience management: combining customer insights with operational metrics to get a truer measure of success. This practice will no doubt evolve as sentiment analysis becomes more sophisticated. It will extend to technology decisions, too. When evaluating a technology solution, its impact on CX will carry as much weight as potential cost savings and operational efficiencies.

Both customer and employee management systems are designed to change human behaviour. **Before taking customer solutions to the frontline, use small, employee-focused initiatives to trial adoption with an internal audience.**

How wide is the gap between employee management and customer management?

If your employee engagement and methods are successful, it's likely your customer management systems will be, too.

Poor user interfaces and less-than-optimal CX are the top factor affecting customer use of digital channels – and a growing problem, having increased by 37.6% to 48.3%.

Both customer and employee management systems are designed to change human behaviour and optimize the performance of people – which is why it makes sense to merge the two areas. Before taking solutions to the frontline of customer management, use small, employee-focused initiatives to test your theories about the customer journey and trial adoption with an internal audience.

How dynamic is your CX loyalty strategy?

Knowing what it is that your customers value will help you create relevant experiences that foster loyalty.

33.0% of organizations are now using social media to track customer sentiment.

Customers want their loyalty rewarded with more flexible programs and differentiated experiences. The good news is that the CX world lends itself to flexibility. With a UX-driven front-end solution, you can plug back-end components in and out with relative ease. Just how flexible you're able to be will depend on the strength of your data and ability to derive meaningful insights from data analytics. Predictive analytics and AI can be key differentiators in accelerating your transformation from reactive customer engagement to proactive personalization.

A lesson from the field

Designing solutions for the customer journey

Survey tools and journey maps help you define the landscape that technology will be implemented in, and address any concerns about data privacy and security.

One of our clients, a paper-production company based in Sweden, approached us to work on a project with two very clear objectives: to improve the sustainability and traceability of the supply chain, and digitize CX.

The team we worked with had a good sense of why these changes were needed. They understood that sending untargeted information to employees would ultimately result in getting the wrong message to customers.

A big part of the project was therefore to link and enable clear communication between sales, service and marketing systems and the company's ecommerce site.

By focusing on the customer journey rather than on internal processes, they created clear, customer-focused journey maps. This made it really easy for us to understand their requirements and build technology components to deliver the seamless CX they wanted.

Conclusion

Customers want to feel that you're talking to them personally, not that they're on the receiving end of a mass campaign. It's therefore no surprise that marketing is increasingly at the center of CRM. A marketing hub that connects your website, sales, quality assurance and other systems can gather information from all customer touchpoints. Underpinned by strong data tools, a logical layer can then apply the machine learning, neural nets and algorithms that will help employees respond with the right message.



**Engage through
omnichannel**

Great CX is the result of focus and design, not coincidence

The strategic intent for CX and omnichannel strategies is there. How this translates across the organization is where things are getting stuck.

Top trends

66.4%

Most organizations engage via eight contact channels, yet two-thirds (66.4%) have **no cross-channel contact management strategy**.

24.2%

Only one-quarter (24.2%) of **CX teams** are **fully collaborating** to define customer journeys and design CX.

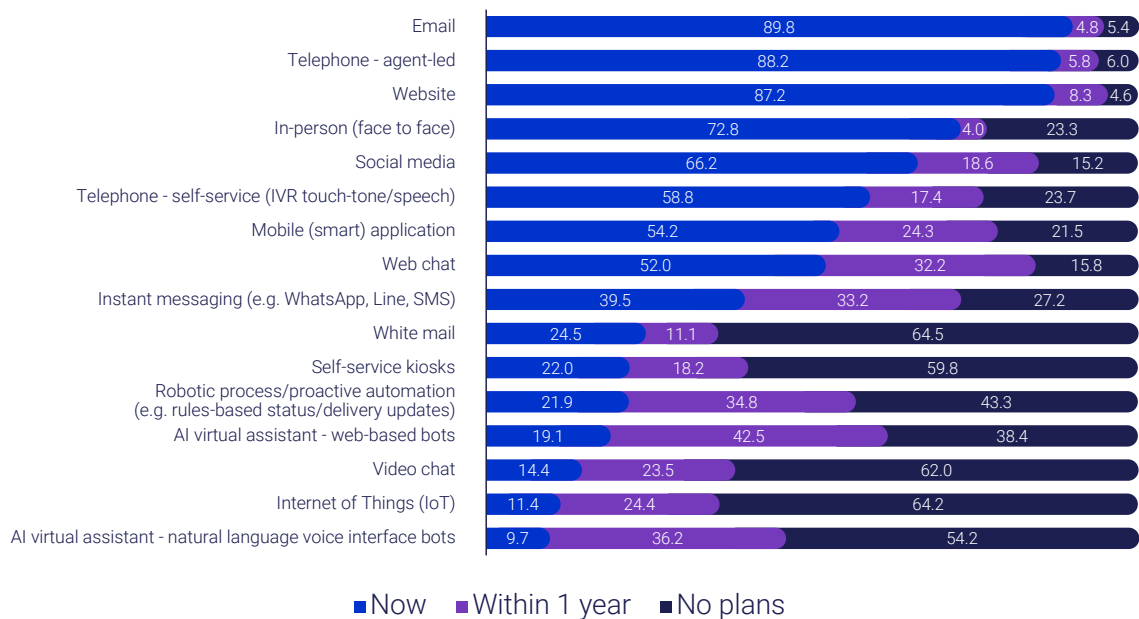
24.5%

Just 24.5% claim **good or complete consistency** as CX remains hugely erratic across contact channels.

What contact channels are supported and/or planned?

Email has surpassed telephone to emerge as the most common support channel for CX

The majority of organizations now provide a choice of eight contact channels; AI virtual assistants and robotics/proactive automation are the top three hot trends for future needs.



What customer contact channels do you provide now, or have planned? n=817

There's a lot of talk about the importance of CX but not much follow-through. **CX may be getting airtime in boardrooms but great customer engagement is more the exception than the rule.** Great CX doesn't happen in isolation. Customer interactions must be designed, not left to chance.

What's the right CX for your organization?

61.3% of business functions are adopting a fragmented approach to CX design; a further 14.6% say there's no CX design collaboration between teams at all.

A consciously designed, fully managed end-to-end customer journey, with the customer well and truly in the center, is rare – but not impossible.

Most organizations struggle to align customer feedback and needs with business goals and objectives to define what it is they want their customers to have. Disjointed CX points to that familiar business problem: the siloed approach. CX initiatives are undertaken in isolation, whether by channel, product or business area. To drive change, identify where the gaps are in terms of the people, processes and technology that shape customer interactions. Then tackle the changes, step by step.

Are we confusing innovation with technology implementation?

31.5% of organizations do not have a formally defined channel management strategy.

Understand and be present in the natural technology habitats of your customers to provide value. The customer journey dictates the requirement for a new channel, not technology availability.

Who's listening to the voice of the customer?

Just 15.5% place 'customer delight' as the top driving force behind their customer journey design strategy.

Everybody should be, from the boardroom to the contact center.

We've had the technology to listen to customers and analyse their conversations for some 20 years – yet it seems we listen to them far less than we talk about them. It's time to bring all that data together and take the voice of the customer to wherever it needs to be heard to effect positive change.

From the boardroom to the contact center, **everybody needs to be listening to the voice of the customer.**

A lesson from the field


Don't implement in a vacuum

A mortgage company in Europe implemented an application for customers to track the status of their mortgages – and were surprised to find few customers were using it. An analysis of phone interactions revealed there was nothing wrong with the application itself, it was just that customers preferred calling in for an update.

This example shows how important it is to understand what customers want before going ahead with anything new, and why customer awareness and marketing of new channels are critical to success.

Conclusion

It's easy to get distracted by the promise of new technologies, but CX is not about following technology trends. Top performers disrupt and create their own trends. If you want to make an impact on your customers, everyone in the organization needs to focus on solving problems for both your customers and the business.

A person wearing a light blue puffer jacket and dark pants stands with arms outstretched inside a large, glowing orange sphere. The sphere is illuminated from within, creating a warm, golden light. The background shows a snowy mountain landscape at night, with a dark sky and distant peaks. The ground is covered in snow and has some footprints.

**Automate
intelligence**

Navigating from proof of concept to production

The path from laboratory to production is often a long one. The field of automation is littered with dead proofs of concept (POCs) that could never make it to the production floor.

Top trends

77.4%

77.4% of organizations believe **customer operations** will be **positively affected** by AI and CX robotics.

84.6%

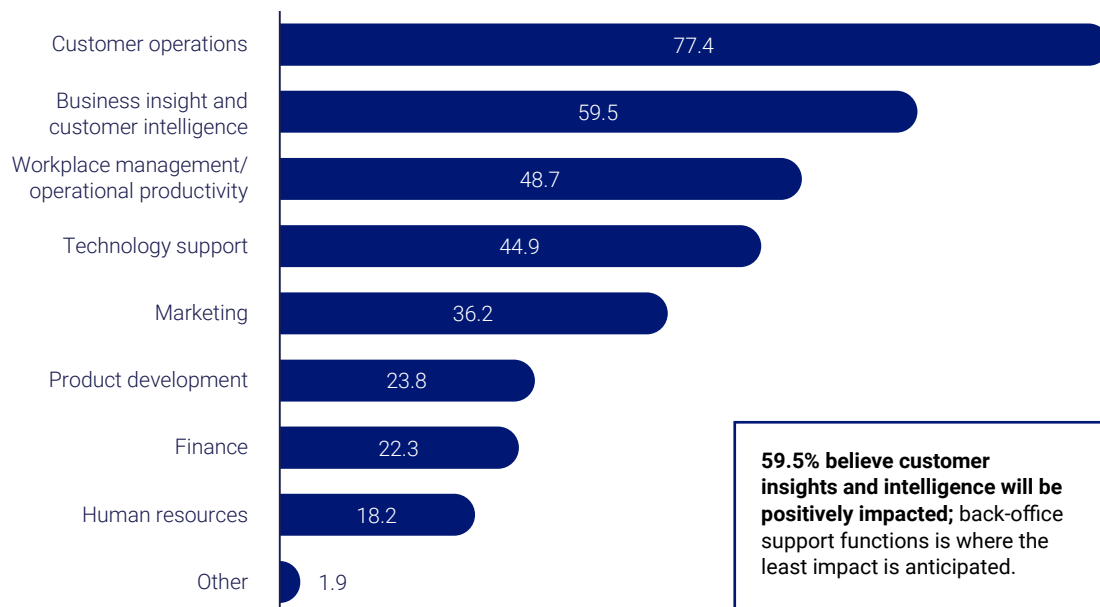
84.6% of users say less than 25% of **CX activity** is being handled by AI and/or robotics; the lack of **data science and data programming skills** is the standout challenge for 56.1% of organizations.

32.1%

Just 32.1% of users say AI/robotics are **meeting or surpassing expectations**.

Which business functions are most likely to be positively impacted by AI/robotics?

Three-quarters (77.4%) of organizations believe customer operations will be positively affected by AI and CX robotics



Which business functions are most likely to be positively impacted by new AI and/or robotic technologies? n=677

Anxiety about using AI in production is, to some extent, justified. So far, deep learning has solved only specific, tightly controlled problems. Pilots have been very contained. **Deep learning algorithms** such as neural networks are extremely complex and do not lend themselves to intuitive human understanding. This makes it **difficult to assure compliant behaviour** at scope boundaries. In other words, how they'll respond to exceptions outside the controlled laboratory environment remains unpredictable.

How easily do automation technologies integrate with the base CX technology stack?

Just 1.0% of organizations are processing 76% to 100% of CX enquiries via non-human systems.

Several enterprises are investing in digital workforce automation but it's still a small part of CX activity for most.

The integration of automation in the base CX technology stack is still not mainstream. However, as these technologies mature, and concerns about security and ethics are addressed, they will be adopted by the major CX technology providers and become another layer in the CX stack.

It takes time to get from the testing environment to the live one. Unexpected system and adoption challenges will crop up and must be identified and mitigated through simulations, or the technology could be pronounced unsuccessful in the field.

Where are we on the adoption curve?

Organizations planning to automate 26% to 50% of human-led CX activity within next two years:

2019: 17.5%

2020: 34.9%

It takes time to get from the testing environment to the live one. Currently, the CX space is trailing a few years in adopting complex automation.

As with any brand-new transformational technology, unexpected system and adoption challenges will crop up. These need to be systematically identified and mitigated through simulations or there is a real danger the technology could be pronounced unsuccessful in the field.

What are the opportunities for transformational technology?

AI and robotic process automation plans, now and over the next two years:

- Virtual assistants/bots – rules based:
Now: 27.4%, by **2022: 68.7%**
- Virtual assistants/bots – powered by AI/machine learning:
Now 14.8%, by **2022 55.5%**

The promise of new technologies has been widely demonstrated in POCs but has yet to be productionized.

What we're experiencing is a gradual ramp-up – from the automation of analytics and reporting, which is quite mature, to rules-based chatbots that are only now becoming ubiquitous, to voice agents in CX centers. Once pragmatism sets in, more realistic opportunities for meaningful deployment will emerge.

A lesson from the field

Factor in the reality of the live environment

One of our clients, a top-five global healthcare company, has tens of thousands of customer care agents in their payer call center. The agents must carefully summarize each call, as their notes could be used in arbitrating disputes. Their call wrap-up time is therefore over 10 minutes.

Our CX R&D team partnered with a specialty technology start-up to develop an algorithm that combines speech recognition, natural language processing and machine learning to automate this process.

In numerous lab and field tests, the call summary could be completed automatically – and accurately – in under a minute, with a quick verification from the agent.

However, the reality of the field in production – network delays, circuit disturbances, ambient call-center noise, an innumerable permutation of connotations, intonations and regional timber, coupled with grave legal concerns – delayed the implementation by more than 18 months.

Conclusion

The day when AI is completely embedded in our everyday lives, including front-office processes, is ambitiously projected at five years from now.

Advanced digital technologies such as AI and machine learning are still in the development stages in CX. While not to be ignored, they can't form the basis of a near-term plan. A gradual path that starts with robotic process automation (RPA), moves to rules-based voice agents and finally to AI-powered automation, should become the framework of a long-term plan. Automate appropriately to drive productivity and reduce effort that enhances CX and never puts it at risk.

A person in a dark coat and hat stands in shallow water at dusk, holding a glowing circular light trail that radiates sparks against a blue sky.

**Optimize
performance**

Adapt, adopt and align: accelerating the optimized CX system

Customers are no longer passengers but drivers of the experience. To create powerful connections between the business, its employees and customers, you need to optimize three things: the organization, people and technology.

Top trends

49.7%

Organizations see the need to **evolve and be agile**, with one in five (20.9%) now saying they are proactive and growth-orientated; another half (49.7%) are open to change.

51.6%

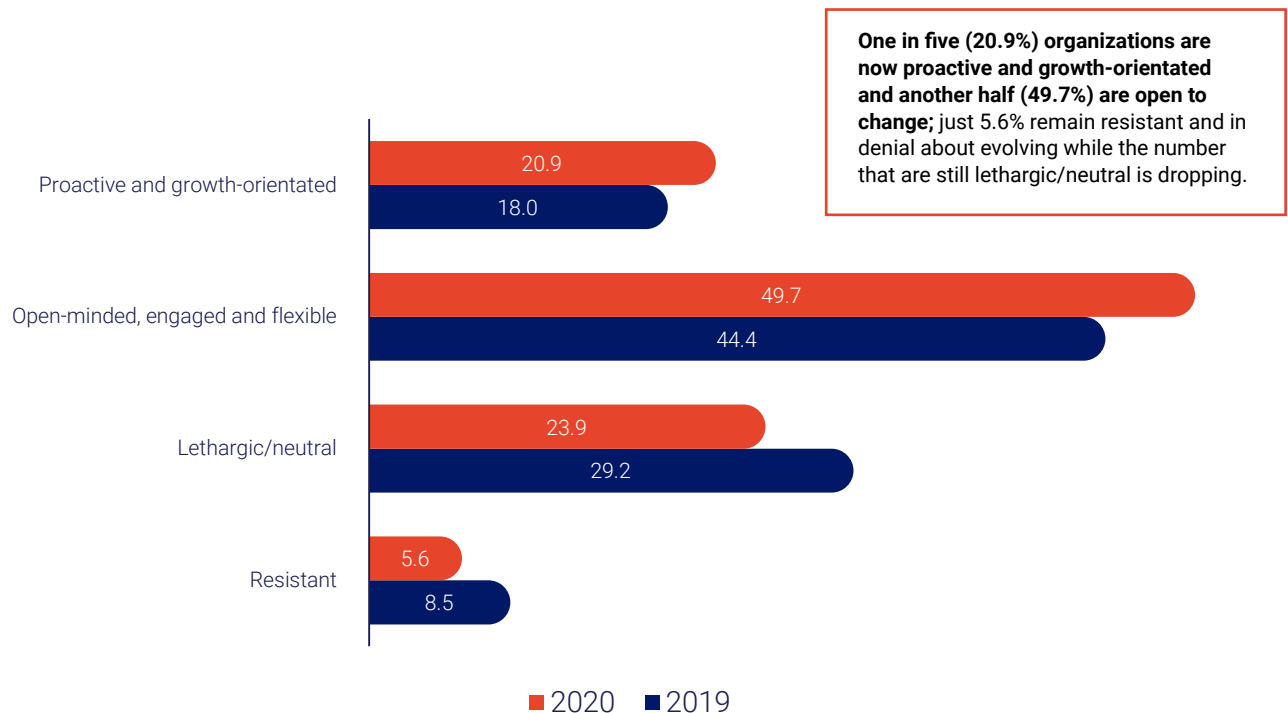
Just 51.6% list **demonstrable return on investment** as a top-three measure to review the effectiveness of technology projects.

48.0%

48.0% acknowledge a need to **optimize the workplace environment** to meet the demands of an evolving workforce.

How do organizations approach change?

An appreciation of the need to be agile and maintain an open-minded approach to business transformation is rising



What best describes your organization's approach to change? n=954

Increasingly, customers want access to information, entertainment and physical products on demand, through highly consumable, immediate, personalized and usage-based mechanisms. This represents a major challenge for many organizations, as it requires harmonizing and optimizing their entire CX capability.

Without a common baseline, CX will always be fragmented. It's therefore critical to create adaptive organizational structures, adopt the practices of the evolving workforce and align technology with CX outcomes to enable connected customer experiences.

Can your organization deliver consistent CX and quickly adapt to change?

Just 33.4% of organizations say business functions collaborate to align strategies/operating models to deliver and optimize CX.

An adaptive operating model with agreed CX standards and cross-functional working groups will form a tangible CX governance capability, allowing you to deliver consistent, organization-wide connected journeys.

Many organizations are simply not structured to deliver CX in a connected manner. Often, customer interactions are owned by multiple functions that are either not aligned or simply work differently. To a certain extent, it's true that everyone in the organization is responsible for CX. However, as with every other business function, you need someone to be accountable for providing a clear strategy, guiding principles and operating model.

Are your people empowered to engage with customers in a meaningful way to create value?

37.2% of organizations confirm a proactive approach to employee engagement in CX, where employees actively 'live the brand' and the voice of the employee is recognized and measured.

A considered CX and employee experience (EX) culture and environment will set the scene for an optimized workforce where employee and customer satisfaction are the ultimate output.

Employees who feel energized and empowered will be more likely to engage with the organization and its goals, ultimately delivering improved CX. Automation and digital transformation will require the human workforce to deal with more complex interactions – which means adopting new skills, technologies and working practices to optimize operational capability. They'll also need to understand the role of automation, recognizing it as a valuable support rather than a threat.

Is technology a key enabler for aligning CX delivery with business outcomes?

Less than half (44.9%) of CX operations are fully involved in or responsible for the design of their own technology needs.

A strong CX-focused culture will drive the implementation of technology that helps enable great CX and EX.

Just about everything is digital now, which means technology is becoming increasingly critical to enabling current and future CX capability. The focus is no longer on simply integrating channels but on using technology as a key enabler to align CX with business outcomes.

A lesson from the field

Invest in technology with a focus on CX outcomes

- **Innovation and insight:** Identify the data that allows you to have context-based interactions and deliver relevant, personalized content to create loyalty and value. Use data analytics to plan, improve and deliver real-time interaction and performance management.
- **Optimized operating model:** Technology is central to supporting long-term integration, immediate connectivity and harmonized automation capabilities to accelerate your journey to organizational CX cohesion.
- **Empowered CX workforce:** Connect employees to intuitive interfaces that provide content-rich, context-based interactions that help them support connected customer journeys.
- **Connected customers:** Use technology that both aligns with business outcomes and is easy for customers to use.
- **Security and protection:** Cybersecurity threats, emerging AI and robotic interfaces and the use of personal data increase the security risk of CX. Robust digital security must be inherent to CX technology alignment, not something that simply adds cost and complexity.

A young woman with long, straight blonde hair is shown from the side, looking towards the right. She is wearing a black dress with a vibrant floral pattern in shades of pink, red, and green. Her right arm is extended upwards, holding a large, round, red and white striped lollipop on a stick. She is also wearing a blue wristband on her right wrist. In the background, the intricate metal framework of a large Ferris wheel is visible against a clear blue sky. The overall scene suggests a fair or festival setting.

**Regional
hotspots**

Here is a sample of regional variations based on our analysis of the data and the key themes emerging from this year's Report.

Americas

The Americas leads other regions in the areas of channel availability and tracking customer interactions across all CX channels. Cross-functional collaboration on mapping connected customer journeys is low in comparison to other regions, as is the ability to mitigate certain ethical challenges relating to AI and robotics.



27.2% of organizations in the Americas rank **impact on brand value** and **ability to differentiate** as the **top priority business outcome** from their focus on CX. This figure is almost double that of organizations in other regions (15.1%).



In the Americas, just 12.6% of business functions across the enterprise **collaborate to define customer journeys** and design CX. The average outside the region is 26.8%.



The Americas leads the way in being able to **track customer interactions** across all CX contact channels: **17.3%** currently have this capability versus an average of just 10.8% for other regions.



Just **12.6%** of organizations in the Americas say the top factor that **negatively impacts CX** is the unavailability of a customer's preferred channel. Outside the region, this is an issue for almost double the number, at 23.3%.



Ethical issues relating to **data bias and discrimination in AI/robotics** are identified as a **top challenge** by **46.0%** of organizations in the Americas, compared with just 33.8% elsewhere.

Asia Pacific

Optimized CX strategies, collaboration on CX design and the ability to capture data on the psychology of customer decision-making are areas where Asia Pacific sets the benchmark as the strongest performer. Organizations in the region also have a more optimistic short-term view of CX automation. Channel management, CX metrics and customer feedback mechanisms are not as strong as in other regions.



12.0% of organizations in Asia Pacific say their **CX strategies** have progressed to an **optimized** state – double the average of just 5.9% for the rest of the world. They also have higher cross-functional collaboration: **36.7%** say business functions **fully collaborate to define customer journeys and design CX** versus an average of just 19.1% in the rest of the world.



Asia Pacific is at the forefront of **capturing data on customer psychology and emotional movement behaviours**. One-fifth (**20.1%**) of organizations are tracking these decision hotspots – more than double the average of those in other regions (9.3%).



When it comes to capturing **voice of the customer feedback**, Asia Pacific lags other regions, with just **69.0%** of organizations acquiring this information compared with around 80% in the rest of the world. It's also the region that's least equipped technologically to **capture and interrogate data**: just **54.8%** of organizations have access to **customer feedback technology systems** versus the 73.1% average for organizations in other regions.



Asia Pacific is ahead of other regions in terms of digital transformation and the full automation of CX elements. However, **first contact resolution (FCR) rates** for these solutions are much lower than in rest of the world. Assisted-service FCR is at just **56.1%**, versus 69.0% elsewhere. On automated services, FCR drops further to only **43.0%**, versus 62.3% outside the region.



Organizations in Asia Pacific have a much more **ambitious short-term outlook** on how **AI and robotics** will reduce their reliance on **human resources/employees**: **31.5%** believe that **over half of the CX activities** currently administered by human employees will become automated by 2022. Outside the region, the forecast is more conservative, at just 9.9%.

Australia and New Zealand

Organizations in Australia and New Zealand set the standard for accommodating flexible working practices, yet are not as open to change as those in other regions – which may account for some of the challenges they’re experiencing with consistent CX delivery, data management and analytics.



Only **3.4%** of organizations in Australia and New Zealand are very satisfied (57.3% being fairly satisfied) with their **CX capability** versus an average of 11.0% in other regions (Asia Pacific with the highest, at 14.9%). It’s also the region **most dissatisfied with capability levels: 39.3%** versus an average benchmark of 25.3% elsewhere.



Australia and New Zealand are **falling behind on AI**, with just **18.3%** of CX teams in the region stating **AI** is a **top-three technology priority**. In the Americas, Asia Pacific and Europe, AI technology is a priority for over one-third of organizations.



Managing increasing volumes of data emerging from digital channels is more challenging for organizations in Australia and New Zealand than those in other regions: almost half (**47.2%**) are unable to manage the available data, versus an average of just 24.8% in the rest of the world. **Data analytics resources** are also a significant issue in the region, with almost two-thirds (**64.0%**) of organizations saying this is the **top challenge** affecting their **data analytics capability**, compared with just 31.7% in other regions. They’re also the **least likely** to have **data scientists** programming systems and creating performance scorecards, and are 72.0% less likely to have **automated data management** systems in place.



Organizations in Australia and New Zealand are the least likely to have a strategy for **cross-channel customer contact management** in place (**18.1%** versus 35.7% elsewhere) and over half (**51.4%** versus 28.8%) report they do not have a **formal strategy** defined for **individual channels** – which may well account for **44.4%** of operators saying there is **no consistency** in the **delivery of CX** across contact channels. This puts them some distance behind the average outside the region, where just 21.4% have no cross-channel CX consistency.



Australia and New Zealand are some way ahead of the benchmark for the rest of the world when it comes to **accommodating flexible and/or remote working** to help meet the evolving demands of a modern workforce: **78.6%** of organizations offer some form of **flexible working** arrangement (versus 55.5% elsewhere) and 61.4% allow remote working, where appropriate (47.1% elsewhere).

Europe

Organizations in Europe are the most optimistic about the impact natural-language voice-interface solutions will have on reshaping CX capabilities. In-house capabilities for customer journey design are strong and the region also has the most generous vacation leave. Data capture and compliance challenges are higher than in other regions, and email response times are noticeably lower.



Europe leads all other regions in considering **natural-language voice-interface solutions** (e.g., Siri, Alexa, Google Now) to be a top factor in **reshaping CX capabilities** within the next five years. At **23.6%**, their optimism about the impact of these solutions on CX is much higher than in most other regions: the average for the rest of the world is 17.3%, with the Middle East & Africa (11.7%) and Australia and New Zealand (8.4%) being the least confident regions.



59.3% of European CX providers have **not aligned** their **data capture** needs to desired **business outcomes**. This is less of a problem outside the region, where just 47.3% are in same position.



Email is now the most commonly offered CX contact channel but customers in Europe can expect to wait **twice as long** as rest of the world for their **emails to be answered**. Average **response times** there are almost **8.75 hours** compared with an average 4.5 hours in the rest of the world.



Advancing **digital transformation** (including AI) will require **expertise in compliance and ethics** – something organizations in Europe seem to be getting a handle on. Just **37.1%** say they will need more expertise in this area over the next two years, compared with 53.1% of organizations in the rest of the world.



CX employees in Europe enjoy the most generous allocations of **vacation time** with an average allowance of **24.6 days each year** – almost a full working week ahead of the 20.6 days offered in Australia and New Zealand and just three weeks in Asia Pacific and the Americas.

Middle East & Africa (MEA)

MEA claims the highest average Net Promoter Score and leads the way in tracking customer sentiment through social media. Organizations in the region are missing opportunities by not using VoC feedback and CX data effectively. There are also issues with customers' perceptions of AI/robotic solutions in place – current ratings are at detractor level.



MEA is behind the rest of the world in **capturing VoC** and **using customer feedback** to inform **innovation** opportunities: **27.5%** of organizations have **no VoC** for this purpose, compared with an average of 16.5% in the rest of world. While **31.9%** do have a **formal process** in place to **capture such customer feedback**, this still compares poorly with the 44.7% average in other regions.



Just **18.8%** of organizations in MEA have a **dedicated team** aggregating, analysing and managing their entire pool of **CX data**. In this respect, they're behind the 30.8% in the Americas and 24.3% average for the rest of world.



Organizations in MEA enjoy greater levels of customer advocacy than those in other regions. CX providers in the region have the **highest NPS results**, with a regional average of **35.4** against 24.4 elsewhere. MEA also **leads on Customer Effort Score** (CES) performance.



In MEA, **46.6%** (versus an average of 30.1% in the rest of the world) of organizations are using **social media** to help **track customer sentiment** on CX.



Users of **AI/robotic solutions** in MEA say **73.2%** of customers rate their experiences of interactions with these solutions at **detractor level** (a rating of 6/10 or less) – appreciably more than the 61.1% average for the rest of the world.

Four attributes of top CX performers

1

They define the value of CX and understand why it is a crucial part of strategy.

Organizations that understand and can track the value being realized from their focus on CX, recognizing it as a crucial element of CX strategy, are delivering significantly better customer experiences: 28.3% receive promoter-level scores from their customers (against an 9.5% average of those who do not) while just 19.3% report detractor-level scores (compared with 64.2%).

Track the value CX brings to your organizational goals.

2

They collaborate on CX design.

Organizations adopting a fully collaborative approach to the design of CX processes, involving all business functions, are slashing average speed-to-answer times – a key factor affecting ease of resolution and the one that counts most when it comes to CX and customer satisfaction. Results from fully collaborative approaches highlight greater responsiveness on all modalities than those working in silos or with on limited collaboration: telephone responsiveness is 41.6% better; email, 34.3%; web chat, 10.2% and social media, 33.7%.

Design enterprise-wide CX solutions that transcend all customer touchpoints.

3

They accelerate the benefits of an improving CX capability with a formal VoC program.

Organizations with a formal VoC program have been able to evidence significantly higher benefits from an improving CX capability than those operating without: 64.9% (versus 51.3%) have seen improvements to customer loyalty and value, 50.0% (versus 36.1%) have improved revenue/profits, and 38.4% (versus 29.6%) have also reduced costs.

Formalize how you listen to your customer.

4

They regard enterprise analytics as key to identifying CX inhibitors.

Organizations with access to enterprise-wide CX analytics systems have reduced the percentage of disenchanted customers to 21.4%. Organizations functioning without these systems receive negative CX scores from 49.3% of their customer base.

Inform your CX with data-led insights.

Steps to success

Bring your customer back into focus and learn from leaders across industries who make it all seem so easy.



Lead with strategy

- Execute a **deliberate strategy** to prevent detractor and enable differentiation.
 - Design **proactive and predictive** CX by harnessing data and AI.
 - Never compromise CX.
 - **Develop competencies** in design, data analytics, data management, AI and processes.
-



Understand customers

- Develop a **data-centric business strategy** to drive transformation.
 - Identify **key personnel** and **executive sponsors** who will build, retain and grow your organization's knowledge about the customer journey and experience data.
 - Build an **analytics team and platform** to support customer insights and improve CX.
 - Create **measurements** that provide **insight** into how customers are experiencing your company.
-



Personalize experiences

- **Improve data consistency and consent across all channels.** This will give customer conversations (AI or agent-driven) greater credibility.
 - **Start the conversation about what the key performance indicators for your service agents should be.** Include your customer in the design process – blend metrics like NPS into overall company metrics. Consider what works best for your demographics.
 - **Skill your marketing team and data analysts on testing the impact of communication.** Discover your minimum viable audience and test your assumptions.
 - **Leverage the power of clean, consistent UX to enable better decision-making for both client and customer (two sides of the customer engagement coin).** This should be key in omnichannel philosophy.
-



Engage through omnichannel

- Great customer experiences need to be **designed** – they don't happen by accident.
- A **good CX strategy** drives change and supports all CX activities in the organization.
- Turn statements into action by really **creating the business case** for CX.
- Unearth valuable **customer data**.



Automate intelligence

- Plan to power your next-generation CX solutions with **intelligent automation**.
- **Be realistic** about charting your digital automation journey.
- Build your **intelligent automation team** carefully.
- Be extremely cautious on the **security and ethics** front.



Optimize performance

Organization

- **Adapt:** Ensure that your organizational structure and operating models can adapt in an accelerated manner to deliver connected experiences.
- **Adopt:** Adopt new ways of working to ensure people have the right mindset, skills and tools to optimize and harmonize the emerging human and automated workforce.
- **Align:** Create technology strategies that align with your required CX outcomes, business drivers and customer needs, and take advantage of new ownership and consumption models.
- **Accelerate:** In a rapidly changing world, organizations need a new perspective to achieve powerful connections. Embrace accelerated optimization approaches to remain relevant.

Technology

- A comprehensive **CX strategy** with clearly defined KPIs that align with business objectives is key to defining how technology platforms can add tangible value to the business and customers.
- **Cloud** is a key asset in the delivery of a mature CX strategy. Using an **extensible architecture framework** to enable services will allow agility as well as short-term and long-term benefits in the delivery of technology projects.
- A dynamic and focused **adoption service** is critical to the successful outcome of any technology-platform-driven CX initiative.
- **Security** can be the key enabler or blocker for any cloud CX transformation. Evaluate your security posture in line with your CX strategy and make sure it's compatible with cloud delivery capabilities.

People

- Design a **CX technology and data management strategy** that includes moving the organization forward with a more digital and AI/bot-focused service.
- Adopt an **operating model** that provides clear **guiding principles** across functions. The transition to a dedicated approach will come with time as customers adapt, allowing for generational gaps to remain.
- Implement **change management** with your workforce. Take them on the journey of CX and how it links with their personal development.
- Provide people with **skills and tools** that enable them to stay connected with ease and simplicity.

Conclusion

From data to action...

This year's findings highlight the difficulty in meeting high expectations from customers for on-demand transactions and hyper-personalization.

Many organizations are failing to meet these expectations, for several reasons:

- not understanding the quantifiable value of CX
- not having the data management and cross-channel analytics capabilities to really understand their customers and provide context-based personalization
- not having a clearly defined CX strategy which spans divisions and has buy-in from all employees
- not able to see a return on investment in AI technology due to limited skills

To connect with and remain relevant to your customers at every touchpoint:

1. Approach CX with a clear strategic design.
2. Create a fluid ecosystem that brings together the latest technology, digital business methodologies and analytics.
3. Use voice of the customer feedback, including web listening and sentiment analysis, as your compass for making decisions about CX strategies.

Assess your benchmark position

The **CX Astuteness Index** takes just a minute to complete and will help you determine how your CX strategy and execution compare with those of other organizations:

- Gain a snapshot of your benchmark position.
- Download a personalized key highlights report based on your answers.

Take the short assessment [here](#).

About the NTT 2020 Global Customer Experience Benchmarking Report

Over 20 years of CX insights

Designed to provide a single point of reference on key aspects affecting customer interaction management within today's CX industry, we believe the Global Customer Experience Benchmarking Report is the most extensive global overview of its type.

Frequently cited by industry analysts and quoted by the media, it's widely acknowledged as the most useful, authoritative and comprehensive report of its kind.

Widespread representation of industries and regions

The Report is based on research data gathered through an **online questionnaire** that ran from July to November 2019. To ensure it remains relevant to the industry, we review and adapt the questions asked each year. The research is based on a probability sample of strictly random participants involved in the provision of CX services. The margin of error is projected as three percentage points at a 95% confidence level.

The findings of the 2020 Report comprise responses from **1,020 respondents** representing **13 industry sectors**, and drawn from **79 countries** from **five regions**: the Americas, Asia Pacific, Australia and New Zealand, Europe, and the Middle East & Africa.

Insightful analysis and commentary

Data integrity, validation and analysis are performed by NTT Ltd.'s specialist in-house Primary Research and Benchmarking Team.

In addition to a **detailed analysis** of the results, findings and trends, each Report includes **commentary, context and insights** from people who work in the industry. They have a close-up, first-hand view of how the industry is changing, where it's headed, and what this means for organizations. These perspectives add enormous value to the Report.

Access the complete NTT 2020 Global Customer Experience Benchmarking Report

The Report has provided data that the industry has used to:

- **support business planning** (and build strategy)
- **pinpoint problems** using data insights and spot areas that are falling below competitor levels (and close the gaps)
- **identify best practices** and benchmark company performance against top-quartile results (and set targets aligned to the company's vision on performance)

- **validate performance**, trends and directions taken by peers and develop objective yardsticks (and compare results)
- **get buy-in for change** by using relevant reference data to validate a business case, new spend, and/or transformation to a CX capability (support change)

Access the report

Contact one of our experts within the CX Advisory for access to the full findings of this year's survey as well as the Report.

Value beyond the Report

Customize your view of the data with our online portal

All the data used in the NTT 2020 Global Customer Experience Benchmarking Report can be accessed from our online Benchmarking Data Portal. By contacting one of our experts within the CX Advisory, you will be able to:

- access all 850+ global data points
- view and filter results at 10 different levels, including by region, country, industry sector, organization size, role, CX progress, market positioning support function, operation type, and against historical data
- cross-reference data correlations on cause-and-effect relationships
- export the content
- build bespoke presentations

About NTT Ltd.

NTT Ltd. is a global technology services company. We believe that together we do great things. We partner with organizations around the world to shape and achieve outcomes through intelligent technology solutions. For us, intelligent means data driven, connected, digital, and secure. As a global technology services provider, we employ more than 40,000 people in a diverse and dynamic workplace that spans 57 countries, trading in 73 countries and delivering services in over 200 countries and regions. Working together, we deliver sustainable outcomes to your business and the world. Innovation is part of our DNA. So, we strive to move forward, challenge the status quo, and drive excellence through the technologies we integrate and the services we deliver around the world. Together we enable the connected future. Visit us at our new website www.hello.global.ntt

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Contact us to take your CX further

Customer Experience Advisory Services

**Lead with strategy | Understand customers | Personalize experiences | Engage through omnichannel |
Automate intelligence | Optimize performance**

We partner with organizations around the world to shape and achieve outcomes through intelligent technology solutions.

Maintaining customer relevance in this complex and changing environment means adapting your business model to a value-based approach. We have the expertise to help you deliver value through improved customer experiences. We work across all touchpoints, from digital self-service and contact centers through to frontline face-to-face and partial and fully automated AI/robotic interaction. We help enable an employee- and customer-centric business strategy, across the full customer experience lifecycle, providing end-to-end CX management and support... all delivered through our powerful and intelligent business and CX consulting engagements. [Find out more.](#)



Together we do great things