



Customer Experience Management (CXM) Annual Report 2019: Delivering Next-generation Contact Center Services

Customer Experience Management (CXM) Services
Annual Report – September 2019: Complimentary Abstract / Table of Contents

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- 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

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Background and scope of the research

Background of the research

The Customer Experience Management (CXM) industry is witnessing significant disruption in service delivery as buyers are increasing their focus on digital solutions to reduce costs, optimize operations, and improve Customer Experience (CX). While traditional contact centers primarily relied on voice-based delivery as well as manually-intensive tasks to deliver services, an increasing number of investments are being made in building next-generation contact centers to meet the growing customer expectations. Next-generation contact centers can be characterized by integrated data, multi-channel interactions, and the leverage of digital tools. They also go beyond offering innovation around technology to include other elements such as consulting, design thinking, talent upskilling, and evolving delivery models such as Work-At-Home-Agents (WAHA) to align with the enterprise needs.

Next-generation contact centers, while in high demand, continue to be only a fraction of the traditional Contact Center Outsourcing (CCO) market that is still driven by scale, location footprint, and voice-based delivery. Thus, there is a huge number of untapped market opportunities in the CXM space, which is attractive not only for incumbent players, but also for new providers with differentiated digital CX capabilities. Given these factors, the ones that can smoothly transition to a next-generation operating model will witness huge success in the market while others will face the risk of going off the radar.

In this research, we analyze the CCO market across various dimensions:

- Evolving customer needs and the components of a next-generation operating model
- Emerging solution trends in CXM services to meet the evolving CX needs
- CCO market overview and adoption trends
- Outlook for 2019-2020

Overview and abbreviated summary of key messages (page 1 of 2)

This report will assist key stakeholders (buyers, service providers, and technology providers) understand the changing dynamics of the CXM market and help them identify the trends and outlook for 2019-2020. Given these factors, the report provides nuances on the evolving customer needs and the components of a next-generation operating model, emerging solution trends in CXM services to meet the evolving CX needs, CCO market overview and adoption trends, and outlook for 2019-2020

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

Evolving customer needs and the components of a next-generation operating model

- The evolving CX needs include personalized and seamless experiences, reduction in customer effort, and data security, as they play a key role in building loyal customers
- Next-generation technologies such as virtual assistants, Robotic Process Automation (RPA) / Robotic Desktop Automation (RDA) solutions, and advanced analytics are set to witness high growth

Emerging solution trends in CXM services to meet evolving CX needs

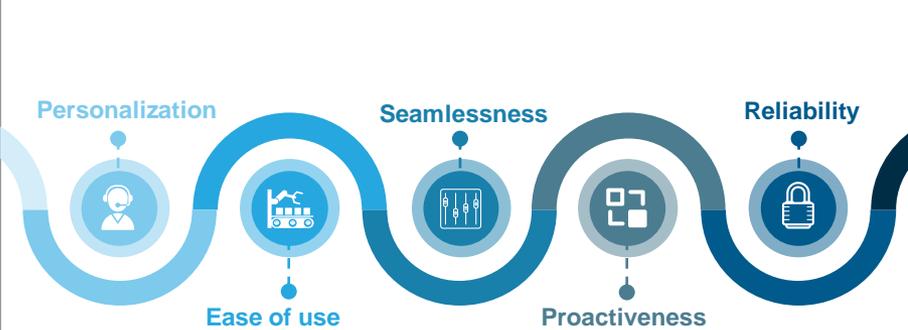
- Real value for enterprises lies in transitioning from multi-channel to consistent and seamless omnichannel CX delivery. It also includes being available for customers at their channel of choice – both voice and non-voice
- Heavy investments across the entire spectrum of next-generation technology solutions have led to an increase in the impact that service providers can deliver
- Next-generation recruitment techniques and advanced learning methods are increasingly being used to build skilled talent pools

CCO market overview and adoption trends

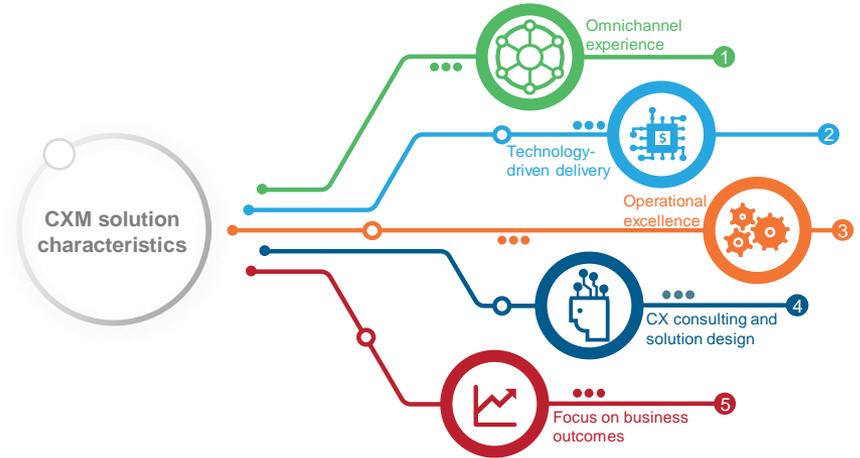
- The global CCO market grew at 3-4% in 2018 to reach US\$83-86 billion, driven by the growing interest among new buyers for outsourcing and emerging growth avenues for service providers around consulting and digital CX solutions
- Industries, such as technology and travel & hospitality, witnessed high growth, driven by increased outsourcing by digital-born firms
- Digital CXM, which is currently at 6-8% of the CCO market, is expected to grow at a CAGR of 20-25% over the next three years. The adoption of digital CXM components stands on a lower side, leaving providers with huge untapped market opportunities
- Content moderation services is witnessing high demand from buyers driving service providers to expand capabilities in this space

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

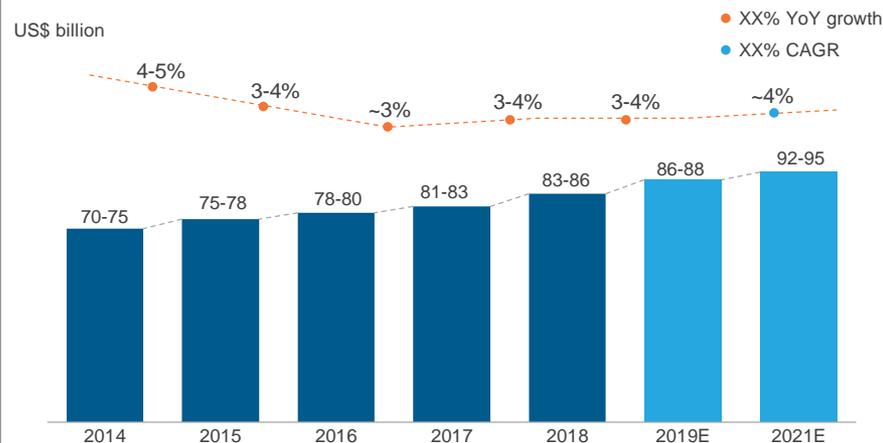
Evolving customer experience needs



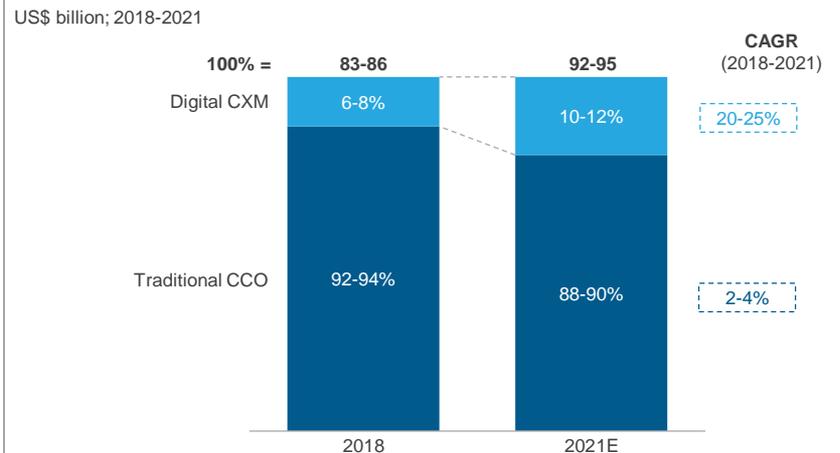
Emerging CXM solution characteristics



CCO market size and growth



CCO market split by traditional and digital CXM



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 2018	August 2018
Contact Center Outsourcing Annual Report 2018: Transforming Customer Experience through a Digital-first Approach	September 2018
Contact Center Outsourcing (CCO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019	June 2019
Contact Center Outsourcing (CCO) – Service Provider Profile Compendium 2019	August 2019
Customer Experience Management (CXM) Annual Report 2019: Delivering Next-generation Contact Center Services	September 2019

Thematic CXM Services reports

Role of AI and Cognitive in Delivering Customer Experience of the Future	March 2018
Contact Center Services for the US Market: Location Strategies for the Digital World	March 2018
Decoding Digital Customer Experience Management	September 2018
Market Report on Chatbots/Intelligent Virtual Agents (IVAs)	November 2018
Accelerating CX through an Optimized CCO model Pinnacle Model™ Analysis Excerpt 2019	March 2019
Growth of BPO in Travel & Hospitality – Delivering Customer Experience takes Centerstage	March 2019
CX Analytics – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018	May 2019
Enablers of a Unified Customer Experience (CX) – Omnichannel CX Trailblazers	June 2019
Intelligent Virtual Agent – Vendor Landscape with PEAK Matrix™ Assessment 2019	Q4 2019
Current State of Work-at-Home-Agent (WAHA)	Q4 2019
Current Trends in the Contact Center as a Service (CCaaS) market	Q4 2019

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

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. **Contact Center Outsourcing (CCO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019** ([EGR-2019-21-R-3222](#)); 2019. This report examines the Contact Center Outsourcing (CCO) services market and evaluates the positioning of service providers on the Everest Group PEAK Matrix. It provides insights into the market adoption of CCO services, relative positioning of service providers, and Everest Group's remarks on service providers' CCO capabilities
2. **Enablers of a Unified Customer Experience (CX) – Omnichannel CX Trailblazers** ([EGR-2019-21-R-3200](#)); 2019. We present an assessment of 90 startups delivering customer experience services across multiple channels, to shortlist the top 14 trailblazers enabling an omnichannel CX delivery. The assessment was done using various parameters related to investments/funding received by these start-ups, the market impact & success garnered, and the solution capabilities of the start-ups identified
3. **Customer Experience (CX) Analytics – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019** ([EGR-2019-21-R-3157](#)); 2019. This report examines the Customer Experience (CX) analytics services market and evaluates the positioning of service providers on the Everest Group PEAK Matrix. It provides insights into the market adoption of CX analytics services, relative positioning of service providers, and Everest Group's remarks on service providers' CX analytics capabilities

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