

Customer Experience Maturity: Assessment

SUMMARY

Organizations don't become customer-centric overnight. XM Institute's research shows they evolve through five stages of customer experience (CX) maturity as they gradually master the six XM Competencies and 20 XM Skills. Use the CX Maturity Assessment to evaluate how you are currently performing across each of these Competencies and Skills and determine where your CX program falls across the five maturity stages. Then review the information provided on pages 3 through 8 to develop plans for making progress towards your CX goals.

FIVE STAGES OF CUSTOMER EXPERIENCE MATURITY

Any company can improve portions of its customer experience, but only those that go beyond superficial changes will be able create lasting differentiation and increase loyalty. As organizations go about mastering the six XM Competencies – LEAD, REALIZE, ACTIVATE, ENLIGHTEN, RESPOND, and DISPRUT– they will evolve through five stages of maturity:

- 1. Stage 1: INVESTIGATE.** The organization is not focused on CX as a strategic opportunity. Companies in this stage should work on identifying the “best” first steps and building buy-in with senior executives to acquire the resources needed for moving forward.
- 2. Stage 2: INITIATE.** As leaders see the potential value in CX, they investigate how CX can help their organization and kick off isolated pockets of CX activities. An ad-hoc or part-time team is usually formed, often drawing from existing employees in other roles, to head up the company's effort to take coordinated actions to educate executives, define the initial strategy, and formalize Voice of Customer efforts.
- 3. Stage 3: MOBILIZE.** Once executives view CX as a strategic priority, the organization taps into full-time CX staff who distribute insights and drive experience improvements. This is a powerful stage where the organization begins to see results by finding and fixing pain points, sharing insights, involving employees in closing the loop, and defining what good CX looks like for the entire organization.
- 4. Stage 4: SCALE.** With strong CX practices in place, the organization systematically uses insights to identify and improve experiences and invests in engaging the entire workforce in CX. Companies in this stage should work on consistently using CX metrics and insights to improve CX and track the impact of their CX efforts. They should also deeply integrate CX into HR processes to reinforce good CX behaviors in all employees.
- 5. Stage 5: EMBED.** In this final stage, CX Skills are ingrained across the organization and it is able to rapidly adapt to shifts in the marketplace. Mature CX programs enable an organization to continuously learn, propagate insights, and rapidly adapt to the needs and expectations of all relevant stakeholders.

HOW TO USE

To help you gauge your organization's progress on its customer experience journey, you can use this tool in a number of ways:

- + **Self-assessment.** Take this assessment yourself and identify the strengths and weaknesses of your organization's CX management efforts.
- + **Group discussion.** Use the assessment in a group exercise. After each individual completes it, discuss the strengths and weaknesses identified, as well as the areas of agreement and disagreement in the results.
- + **Action planning.** Develop plans for making progress towards becoming a customer-centric organization using the information provided after the assessment.
- + **Progress tracking.** Repeat the assessment every six to twelve months to track your progress.

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To what extent does your organization's CX program demonstrate the following behaviors?

1 = Never **2** = Infrequently **3** = Often **4** = Almost Always **5** = Always

1. Maintain a clear and shared vision for customer experience efforts	
2. Track your progress against a well-defined program roadmap	
3. Maintain governance structures that provide appropriate decision-making, alignment, accountability, and conflict resolution for your efforts	
LEAD average	<input type="text"/>
4. Forecast the business value of your CX efforts	
5. Adjust your efforts to make sure you deliver on your forecasts	
6. Prioritize your CX activities based on a well defined set of metrics	
REALIZE average	<input type="text"/>
7. Keep employees and partners informed about the value and progress of your efforts	
8. Create mechanisms to build and enhance key CX skills across the organization	
9. Ensure employees have the training and motivation to adopt customer-centric behaviors	
ACTIVATE average	<input type="text"/>
10. Combine customer experience data and operational data to generate actionable insights	
11. Capture appropriate signals from targeted customers at the appropriate times	
12. Analyze customer experience data and operational data to prioritize actions	
13. Distribute tailored insights to stakeholders that make it easy for them to take action	
ENLIGHTEN average	<input type="text"/>
14. Systematically follow up with customers to fix problems that are uncovered from insights	
15. Make ongoing improvements to operational processes based on customer experience insights	
16. Make strategic decisions based on customer experience insights	
17. Infuse customer experience insights into key operating processes and systems	
RESPOND average	<input type="text"/>
18. Uncover opportunities for transformative customer experiences	
19. Apply human-centric design approaches to the improvement of customer experiences	
20. Ensure new experiences are delivered consistently when they are rolled out across the organization	
DISRUPT average	<input type="text"/>

OVERALL total

EVALUATE THE RESULTS:

XM Competencies (average scores):

Less than **2.60**: **Very Weak**
2.60 to **3.29**: **Weak**
3.30 to **3.89**: **Adequate**
3.90 to **4.49**: **Strong**
4.50 to **5.00**: **Very Strong**

Maturity Stage (overall total):

6 to **14**: Stage 1: **Investigate**
15 to **18**: Stage 2: **Initiate**
19 to **22**: Stage 3: **Mobilize**
23 to **26**: Stage 4: **Scale**
27 to **30**: Stage 5: **Embed**

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COMPETENCIES are the skills and actions that establish XM as a discipline.

COMPETENCIES	DEFINITIONS	XM SKILLS	EXAMPLES
LEAD	Architect, align, and sustain successful XM efforts.	<ul style="list-style-type: none"> + Strategy + Program Roadmap + Governance 	<ul style="list-style-type: none"> - Program vision, mission, goals, priorities - Workstreams of initiatives, resource allocation, progress tracking - Makeup of CX team & steering committee - Plan for holding people and teams accountable for XM results
REALIZE	Track and ensure that XM efforts achieve well-defined business objectives.	<ul style="list-style-type: none"> + Value Planning + Value Delivery + Metrics Management 	<ul style="list-style-type: none"> - Setting goals and monitoring progress - ROI modeling, demonstrating value (churn reduction, account growth/additional purchase, renewals) - Metrics being tracked (NPS, Overall Satisfaction, key drivers, etc.)
ACTIVATE	Ensure organization has the skills, support, and motivation to achieve desired results.	<ul style="list-style-type: none"> + Ecosystem Communications + Expertise Building + Role-Based Enablement 	<ul style="list-style-type: none"> - Internal communications, external communications - Employee training, coaching, tools, and support - Integration into HR processes - Rewards, recognition, celebrations
ENLIGHTEN	Provide actionable insights across the organization.	<ul style="list-style-type: none"> + X- and O-Data Integration + Experience Monitoring + Insights Discovery + Insights Distribution 	<ul style="list-style-type: none"> - Survey design & sampling methodology - Measurement of key segments and key "moments that matter" - Dashboards deployed and role-based distribution and alerts - Advanced analytics (predictive, text/speech, etc.)
RESPOND	Prioritize and drive improvements based on insights.	<ul style="list-style-type: none"> + Immediate Response + Continuous Improvement + Strategic Decision-Making + Process Integration 	<ul style="list-style-type: none"> - Follow up with dissatisfied customers - Use insights to improve experiences, diagnose root cause, prioritize initiatives - Integrate insights into company processes (new product development, process improvement, innovation, etc.)
DISRUPT	Identify and create experiences that differentiate the organization.	<ul style="list-style-type: none"> + Experience Visioning + Experience Design + Experience Integration 	<ul style="list-style-type: none"> - Customer journey mapping & persona development - Pilot programs, customer co-creation - Human-centric design, Design Thinking - Coordinated planning and support of new experience roll-out

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Stage 1: INVESTIGATE

Not every organization truly understands the importance of CX. In this first stage of maturity, the organization is not yet focused on CX as a strategic opportunity, although it may be investing in “Customer Service,” “Relationship Management,” or similar functions. A single “champion” emerges to encourage deeper exploration of CX and what it can mean for the organization.

Recommendations:

- + Just get started educating yourself and executives
- + Review data that’s already been collected
- + Focus on a few key listening points
- + Share insights in a tailored format with select people
- + Demonstrate value with quick wins

TYPICAL CX ACTIONS

LEAD

- Identify individual to spearhead exploration of CX and what the organization should do
- Seek out other pockets of CX support or champions already in place
- Begin to identify and expand the visibility of other “CX” activities across the organization

REALIZE

- May have some metrics in place which were randomly selected and are haphazardly reported with limited organizational review
- Lacks a single core CX metric or clear articulation of the value that CX will create for the organization

ACTIVATE

- Consume information about CX, feedback, metrics, etc. from a variety of external sources
- Begin to educate senior executives about CX

ENLIGHTEN

- May identify some limited customer feedback being collected in silos in the organization, typically around a visible service touchpoint
- Use a simple approach/tool to send a survey or surveys to customers. Survey design and sampling approach are rudimentary

RESPOND

- Use data collected for information rather than to drive decisions or systematically make changes
- Limited sharing of data across the organization and inconsistent approach to taking follow-up actions

DISRUPT

- No distinct process exists for identifying experience gaps or designing experiences

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Stage 2: INITIATE

As leaders see the potential value in CX, they start to investigate how CX can help their organization and kick off pockets of CX activities. This second stage of maturity usually begins with the organization establishing an ad-hoc group who is tasked with developing a better understanding of what the organization needs to focus on to improve its CX. It also begins to do some central coordination of customer listening.

Recommendations:

- + Develop governance model & initial CX strategy
- + Focus on a few use cases
- + Start looking into an XM platform
- + Use insights to drive action on specific pain points
- + Kick off internal communications that explain why CX is important
- + Identify preliminary business impacts of CX

TYPICAL CX ACTIONS

LEAD

- ❑ Identify dedicated person to “lead” CX, often as an additional assignment to their primary job. An ad-hoc team is formed.
- ❑ Expand senior leaders’ understanding of CX and jointly define CX vision and what “success” looks like to customers and organization
- ❑ Identify a few opportunities where CX can help the organization. Draft a preliminary CX roadmap and estimate the required resources

REALIZE

- ❑ Build a preliminary business case around the ROI of CX, often using external benchmark data not own data
- ❑ Put initial CX metrics in place

ACTIVATE

- ❑ Begin to communicate about CX to all employees, tapping into existing communication channels and emphasizing stories about what good CX looks like

ENLIGHTEN

- ❑ Set-up basic, centralized VoC program and begin measurement in one or two areas
- ❑ Deliver basic VoC reporting on a periodic basis to management audiences
- ❑ Create some basic integrations between VoC program and CRM system to enable survey distribution and some reporting

RESPOND

- ❑ Initiate some limited 1:1 closed-loop follow-up, but it is not widely tracked or monitored, nor is it systematized in existing technologies
- ❑ Identify some specific pain points, which trigger improvement projects

DISRUPT

- ❑ Might begin to talk about designing an experience that reflects the organization’s brand

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Stage 3: MOBILIZE

Once executives view CX as a strategic priority, the organization taps into full-time CX staff who distribute insights and drive experience improvements. Organizations in this third stage of maturity are often investing more in maturing their VoC programs to drive action, sharing role-based insights with a wider audience, beginning to construct customer journey maps, and improving discrete customer pain points.

Recommendations:

- + Further expand experience monitoring use cases and analytics capabilities
- + Undertake ROI modeling to map CX to business results
- + Create CX-centric tools, training, and recognition efforts
- + Shift focus from fixing isolated problems to improving cross-functional operational processes
- + Start using customer journey mapping and personas

TYPICAL CX ACTIONS

LEAD	<input type="checkbox"/>	Create a full-time CX core team and establish a cross-functional governance structure for CX efforts
	<input type="checkbox"/>	Define CX strategy, roadmap, and resource requirements with key stakeholder input
REALIZE	<input type="checkbox"/>	Define and start tracking a core CX metric. Begin analysis to identify key drivers of that metric
	<input type="checkbox"/>	Metrics provide much of the vocabulary to talk about CX
	<input type="checkbox"/>	Senior executives regularly review CX metrics
ACTIVATE	<input type="checkbox"/>	Begin to monitor the relationship between core CX metric and business outcomes/O-data to refine the CX ROI model
	<input type="checkbox"/>	Educate senior leaders about what it takes to change CX and their role in driving transformation and accountability
	<input type="checkbox"/>	Begin to define customer-centric employee behaviors and embed them into formal communications and training across the organization, especially with customer-facing teams and individuals responsible for “closing the loop”
	<input type="checkbox"/>	Adjust internal celebrations and award programs to reinforce customer-centric behaviors
ENLIGHTEN	<input type="checkbox"/>	Develop an approach for identifying, celebrating, and sharing CX best practices to the people who are driving CX changes
	<input type="checkbox"/>	Expand listening posts based on priorities in CX strategy and roadmap. Establish formal business rules for timing, frequency, sampling.
	<input type="checkbox"/>	Expand X-data and O-data integration for more robust analysis of key drivers, segmentation, or ROI
RESPOND	<input type="checkbox"/>	Create role-specific dashboards and alerts for sharing insights
	<input type="checkbox"/>	Use text analytics to uncover insights in an increasing amount of unstructured content
	<input type="checkbox"/>	Establish a consistent process for closing the loop with customers, including tracking actions and monitoring adherence
DISRUPT	<input type="checkbox"/>	Manage a portfolio of CX improvement projects and use cross-functional team(s) to drive action around specific pain points
	<input type="checkbox"/>	Experiment with customer journey mapping and start shifting focus from individual touchpoints to experiences across touchpoints
	<input type="checkbox"/>	CX and Continuous Improvement teams start to work together to improve CX
	<input type="checkbox"/>	Begin to identify “Moments of Truth” and introduce design thinking techniques

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Stage 4: SCALE

With strong CX practices in place, the organization systematically uses insights to identify and improve experiences and invests in engaging the entire workforce in CX. In this advanced stage of CX maturity, organizations deeply integrate CX into HR processes like hiring, performance management, and incentive systems to reinforce good CX behaviors. They also redesign many of the operational processes using customer insights and actively use CX metrics to measure progress raising customer loyalty and its impact on the business.

Recommendations:

- + Deeply integrate CX into HR processes
- + Consistently use metrics and insights when making decisions, enabled by data integration into everyday workflows and tools
- + Review CX metrics and ROI alongside key business and financial KPIs

TYPICAL CX ACTIONS

LEAD

- ☐ Clearly align CX strategy and roadmap to business objectives and assign teams accountability for executing on roadmap. Strategy identifies how all employees can impact CX.
- ☐ Strong CX team and cross-functional governance are in place
- ☐ Senior executives are visibly engaged and mandating changes to how the business operates based on insights

REALIZE

- ☐ CX metrics captured at key “Moments of Truth” for important customer segments
- ☐ Regularly run ROI model to confirm the value of individual CX efforts and overall CX program
- ☐ Connect all CX projects with targeted metrics and business impact, and regularly report results on successes and failures

ACTIVATE

- ☐ Begin to distribute CX capabilities across the organization
- ☐ Include CX behaviors in competency models for all employees. Use incentives to align behaviors with CX metrics.
- ☐ Institute mechanisms for employees to share ideas and feedback on CX efforts and opportunities (embedded processes for VoE on CX)

ENLIGHTEN

- ☐ Expand X- and O-data integration across the organization, with strong collaboration across CX, IT, and Finance teams with BU leaders
- ☐ Monitor all critical interactions, segments, and journeys. Analyze X- and O-data to identify activities that result in positive and negative CX.
- ☐ Use predictive analytics to identify and address customer loyalty risks across broader populations
- ☐ Gather and analyze more unstructured and unsolicited X-data (social media, call recordings, chat transcripts, field or agent feedback, etc.)
- ☐ Deliver insights through common workflow tools that are tailored to the needs of users

RESPOND

- ☐ Executives are highly engaged in CX metrics and other insights which become a part of ongoing business discussions rather than delivered in separate leadership updates
- ☐ Actively use and monitor 1:1 closed-loop processes
- ☐ Maintain cross-functional process to prioritize and act on broader issues and trends, improvement projects, and process improvements
- ☐ Infuse insights within organizational transformation efforts. Identify collaboration opportunities across CX, Product, Brand teams

DISRUPT

- ☐ Develop approaches for tracking, measuring, and designing customers' entire journeys
- ☐ Develop customer personas to represent target customer segments and use those when understanding current and designing new experiences
- ☐ “Moments of Truth” become focus of experience improvement and innovation, which use repeatable design thinking processes

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Stage 5: EMBED

In this final stage of maturity, CX skills are engrained across the organization, and experience is the basis for its ongoing differentiation. The organization has integrated CX into everyday decisions and practices and is aligned on the value of CX.

Recommendations:

- + To maintain excellence, must continue focus on XM Competencies and Skills
- + Continue to diffuse XM efforts into other experience areas
- + Enable org to continuously learn, propagate insights, and rapidly adapt to changes in customers, markets, company

TYPICAL CX ACTIONS

LEAD

- View customer-centricity as a core value of the organization
- CX strategy and roadmap help the company maintain focus on CX as other priorities emerge in the business and compete for attention and resources

REALIZE

- Monitor and report on a robust CX ROI model in place.
- Monitor internal KPIs against CX metrics and adjust targets to align with customer expectations
- Embed CX metrics in executive scorecards alongside key operational and financial metrics

ACTIVATE

- Use federated centers of excellence to distribute CX capabilities across all business units
- Employees understand key CX metrics and goals and how their work impacts those goals
- Reinforce desired CX mindsets and behaviors through all employee-facing processes, including hiring, performance management, promotion, and rewards/recognition

ENLIGHTEN

- Use X- and O-data to monitor shifts in customer needs and expectations and accelerate action to address identified experience gaps.
- Systems support real-time integration and monitoring of X- and O-data through the tools employees use as part of their daily work.

RESPOND

- Identify and address evolving X- and O-data needs to enable better, faster, more confident decision-making across all key organizational processes (account management, product development/innovation, marketing, sales, operations, etc.).
- Include the impact of CX as requirement in project funding and capital investment approval processes

DISRUPT

- Involve customers in designing product innovations and experience improvements through co-creation and ongoing testing
- Assembles cross-functional team to roll-out and enable new experiences in support of employees and customers