Digital CX Maturity: Assessment

SUMMARY

As customers interact more frequently with companies over digital channels, these experiences are increasingly becoming the backbone of customer loyalty. But a company's ability to design and deliver easy, emotionally engaging digital interactions doesn't appear 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 Digital 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 10 to develop plans for making progress towards your digital CX goals.

FIVE STAGES OF DIGITAL CUSTOMER EXPERIENCE MATURITY

Any company can improve portions of its digital 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 Experience Management (XM) Competencies – LEAD, REALIZE, ACTIVATE, ENLIGHTEN, RESPOND, and DISRUPT– they will evolve through five stages of maturity:

1. **Stage 1: INVESTIGATE.** The organization is not focused on Digital 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 Digital CX, they investigate how it can help their organization and kick off certain Digital CX activities. This second stage of maturity usually begins with the organization identifying common journeys, major pain points, and key drivers of digital experiences.

3. **Stage 3: MOBILIZE.** Once executives view Digital CX as a strategic priority, the organization taps into full-time CX and/or digital staff who distribute insights and drive digital experience improvements. This is a powerful stage where the organization is investing more to mature different touchpoints (Contact Center, Location-Based, etc.) within their VoC programs to drive action, beginning to construct customer journey maps, and improving discrete customer pain points. Digital is considered one important component of the larger CX initiative.

4. **Stage 4: SCALE.** With strong Digital CX practices in place, the organization systematically uses insights to identify and improve digital experiences and invests in engaging the entire workforce in Digital CX. In this advanced stage of Digital CX maturity, organizations actively use CX metrics and insights to improve XM cross-functionally and combine and maintain all of their operational and experience data. This helps to build rich customer profiles, track customer journeys, and conduct more sophisticated research. They should also deeply integrate Digital CX into HR processes to reinforce good digital behaviors in all employees.

5. **Stage 5: EMBED.** In the final stage of maturity, Digital CX is fully integrated into the larger CX and XM model and skills are engrained across the organization. Experience is the basis for its ongoing differentiation. Mature Digital 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 digital 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 Digital CX 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 and progress tracking**. Develop plans for making progress towards becoming a customer-centric organization using the information provided after the assessment. 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 digital 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 digital efforts	
LEAD average	
4. Forecast the business value of your digital CX efforts	
5. Adjust your efforts to make sure you deliver on your forecasts	
6. Prioritize your digital activities based on a well defined set of metrics	
REALIZE average	
7. Keep employees and partners informed about the value and progress of your digital efforts	
8. Create mechanisms to build and enhance key digital skills across the organization	
9. Ensure employees have the training and motivation to demonstrate customer-centric behaviors within digital channels	
ACTIVATE average	
10. Combine customer experience data and operational data to generate actionable insights	
11. Capture appropriate signals from targeted customers at the appropriate times during digital interactions	
12. Analyze 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	
14. Systematically follow up with customers to fix problems that are uncovered from insights	
15. Make ongoing improvements to digital interactions based on customer experience insights	
16. Make strategic decisions based on digital experience insights	
17. Infuse digital experience insights into key operating processes and systems	
RESPOND average	
18. Uncover opportunities for transformative digital experiences	
19. Apply human-centric design approaches to the improvement of digital experiences	
20. Ensure new digital experiences are delivered consistently when they are rolled out	
DISRUPT average	

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.	+ Strategy + Program Roadmap + Governance	- 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 CX results
REALIZE	Track and ensure that XM efforts achieve well-defined business objectives.	+ Value Planning + Value Delivery + Metrics Management	- 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.	+ Ecosystem Communications + Expertise Building + Role-Based Enablement	- Internal communications, external communications - Employee training, coaching, tools, and support - Integration into HR processes - Rewards, recognition, celebrations
ENLIGHTEN	Provide actionable insights across the organization.	+ X- and O-Data Integration + Experience Monitoring + Insights Discovery + Insights Distribution	- 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.	+ Immediate Response + Continuous Improvement + Strategic Decision-Making + Process Integration	- 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.	+ Experience Visioning + Experience Design + Experience Integration	- Customer journey mapping & persona development - Pilot programs, customer co-creation - Human-centric design, Design Thinking - Coordinated planning and support of new experience roll-out

Digital CX Maturity: Assessment

Stage 1: INVESTIGATE

Not every organization truly understands the importance of Digital CX. In this first stage of maturity, the organization is not focused on digital experiences as a strategic opportunity yet. Although it may have some digital customer surveys in place, there is limited reporting and follow up actions and no distinct processes for identifying pain points or experience gaps.

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 DIGITAL CX ACTIONS

LEAD	❑ Identify individual to spearhead exploration of Digital 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 digital metrics in place which were randomly selected and are haphazardly reported with limited organizational review
	❑ Lacks a single core Digital CX metric or clear articulation of the value that Digital CX will create for the organization
	❑ Put initial digital CX metrics in place
ACTIVATE	❑ Consume information about Digital CX, feedback, metrics, etc. from a variety of external sources
	❑ Begin to educate senior executives about Digital CX and customer expectations for a seamless and engaging digital experience
ENLIGHTEN	❑ May identify some limited digital 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 on digital experiences for information rather than to drive decisions or systematically make changes
	❑ Limited sharing of data from digital customer surveys across the organization and inconsistent approach to taking follow-up actions
DISRUPT	❑ No distinct process exists for identifying digital experience gaps or designing experiences

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Stage 2: INITIATE

The initial foundation for digital research is in place. As leaders see the potential value in Digital CX, they start to investigate how it can help their organization and launch certain Digital 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 digital experiences. It also begins to do some central coordination of customer listening over digital channels.

Recommendations:

+ Begin identifying common journeys, pain points, and key drivers of digital experiences
+ Develop governance model & initial Digital CX strategy with a focus on Track & Diagnose
+ Start looking into an XM platform
+ Use insights to drive action on specific digital pain points
+ Consider how to leverage contextual and embedded data
+ Kick off internal communications that explain why Digital CX is important
+ Identify preliminary business impacts of Digital CX

TYPICAL DIGITAL CX ACTIONS

LEAD	❏ Identify dedicated person to "lead" Digital CX and form an *ad-hoc* Digital CX team ❏ Expand senior leaders' understanding of Digital CX and jointly define Digital CX vision and what "success" looks like to customers and organization ❏ Identify a few opportunities where Digital CX can help the organization. Draft a preliminary Digital CX roadmap and estimate the required resources
REALIZE	❏ Build a preliminary business case around the ROI of Digital CX ❏ Launch activities focused on tracking and diagnosing digital customers experiences, with a focus on identifying key metrics (e.g. CSAT, Ease of Use, and Likelihood to Return)
ACTIVATE	❏ Begin to communicate about Digital CX to all employees, tapping into existing communication channels and emphasizing stories about what good Digital CX looks like
ENLIGHTEN	❏ Start to formalize Digital VoC program and begin discussions around a "System of Insight" ❏ Establish touchpoints to track and diagnose overall site/app experience and collect "always on" persistent feedback. ❏ Start leveraging contextual and embedded data ❏ Use smart routing to communicate insights to the right people across the organization in the right form ❏ Deliver basic VoC reporting on a periodic basis to management audiences ❏ Create some basic data/integrations to enable process and incorporate advanced analytics and contact management
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 digital pain points that will trigger improvement projects
DISRUPT	❏ Might begin to talk about designing a digital experience that reflects the organization's brand

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Stage 3: MOBILIZE

Once executives view Digital CX as a strategic priority, the organization taps into full-time Digital CX staff, who distribute insights and drive experience improvements. Organizations in this third stage of maturity are often investing more to mature different touchpoints (Contact Center, Location-Based, etc.) within their VoC programs to drive action, beginning to construct customer journey maps, and improving discrete customer pain points. Digital is considered one important component of the larger CX initiative.

Recommendations:

+ Further expand experience monitoring use cases and analytics capabilities
+ Create Digital 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 to understand digital experiences

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TYPICAL DIGITAL CX ACTIONS

LEAD
- ❑ Create a full-time Digital CX core team and establish a cross-functional governance structure for Digital CX efforts
- ❑ Define digital strategy, roadmap, and resource requirements with key stakeholder input

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REALIZE
- ❑ Measure and review core Digital CX metrics and identify key drivers through journey-based research
- ❑ Metrics provide much of the vocabulary to talk about Digital CX
- ❑ Begin to monitor the relationship between digital experiences and business outcomes/O-data to refine the digital CX ROI model

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ACTIVATE
- ❑ Educate senior leaders about what it takes to change digital experiences and their role in driving that transformation and accountability
- ❑ Begin to define customer-centric behaviors employees should demonstrate during digital and embed these behaviors into formal communications and training across the organization, especially with customer-facing digital teams and individuals responsible for "closing the loop"
- ❑ Adjust internal celebrations and award programs to reinforce good Digital CX behaviors
- ❑ Develop an approach for identifying, celebrating, and sharing Digital CX best practices to the people who are driving digital changes

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Stage 3: MOBILIZE (continued)

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TYPICAL DIGITAL CX ACTIONS

ENLIGHTEN

❑ Expand listening posts to include more touchpoints and incorporate targeted, journey based research based on priorities in digital strategy and roadmap. Establish formal business rules for timing, frequency, sampling.

❑ Expand digital experience data and O-data integration for more robust analysis of key drivers, segmentation, or ROI

❑ Enable wider System of Insight reporting with role-based dashboards, advanced analytics, and contact management

❑ Use text analytics to uncover insights in an increasing amount of unstructured content

RESPOND

❑ Automatically distribute Insights across organization to relevant teams (UX/web development/marketing/IT) so they can take action based on the information

❑ Establish a broader System of Action with a consistent process for closing the loop with customers, including tracking actions and monitoring adherence

❑ Manage a portfolio of Digital CX improvement projects and use cross-functional team(s) to drive action around specific pain points

DISRUPT

❑ Experiment with customer journey mapping and start shifting focus from individual touchpoints to experiences across touchpoints

❑ CX and UX/IT/Marketing teams start to work with business units to improve Digital CX

❑ Begin to identify "Moments of Truth," and introduce design thinking techniques

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Stage 4: SCALE

With strong Digital CX practices in place, the organization systematically uses insights to identify and improve digital experiences, and it invests in activating the relevant internal teams around Digital CX. In this advanced stage of Digital CX maturity, organizations actively use CX metrics and insights to improve XM cross-functionally and combine and maintain all of their operational and experience data. This helps to build rich customer profiles, track customer journeys, and conduct more sophisticated research.

Recommendations:

+ Deeply integrate Digital CX into HR processes

+ Consistently use metrics and insights when making decisions, enabled by data integration into everyday workflows and tools

+ Review Digital CX metrics and ROI alongside key business and financial KPIs

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TYPICAL DIGITAL CX ACTIONS

LEAD

❑ As CX is becoming a critical function inside organization, Digital CX teams are assigned explicit accountability on roadmap items and all Digital CX projects have defined objectives and business success measures.

❑ Strong Digital CX team and cross-functional governance are in place

❑ Digital CX executives are visible engaged and mandating changes to the business based on digital customer insights

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REALIZE

❑ Digital CX metrics captured at key "Moments of Truth" for important customer segments

❑ Regularly run ROI model to confirm the value of Digital CX efforts and overall digital program

❑ Connect all CX projects with targeted metrics and business impact and regularly report results on successes and failures

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ACTIVATE

❑ Begin to distribute XM capabilities across the organization

❑ Include CX behaviors in competency models for all employees responsible for delivering digital experiences. Use incentives to align behaviors with Digital CX metrics.

❑ Institute mechanisms for employees to share ideas and feedback on Digital CX efforts and opportunities (embedded processes for VoE on CX)

❑ Relevant employees understand role they play in impacting CX during digital experiences.

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Stage 4: SCALE (continued)

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TYPICAL DIGITAL CX ACTIONS

ENLIGHTEN

❑ Monitor all critical digital interactions, segments, and journeys. Analyze X- and O-data to identify activities that result in positive and negative digital experiences.

❑ Use predictive analytics to identify and address customer loyalty risks across broader populations

❑ Gather and analyze more unstructured and unsolicited digital experience data (webpages, apps, social media, chat transcripts, agent feedback, etc.)

❑ Deliver insights through common workflow tools via smart routing, tailored to the needs of users through role-based dashboards

RESPOND

❑ Executives are highly engaged in Digital 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 Digital CX issues and trends

❑ Infuse insights within organizational transformation efforts. Identify collaboration opportunities across CX, HR, Product, and Brand teams

DISRUPT

❑ Orient tracking, measuring, and design around customer journeys rather than isolated interactions

❑ Segment customers using contact management to develop a personalized and holistic view of the customer experience.

❑ Develop customer personas to represent target customer segments and use those when understanding current and designing new digital experiences

❑ "Moments of Truth" become focus of digital experience improvement and innovation, which use repeatable design thinking processes

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Stage 5: EMBED

In the final stage of maturity, Digital CX is fully integrated into the larger CX and XM model, and skills are engrained across the organization. Experience is the basis for its ongoing differentiation.

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

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TYPICAL DIGITAL 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
	☐ 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

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Please note: All references are to CX in general - digital is fully incorporated into the larger CX initiative and there are many other use cases and touchpoints in a similar state of maturity.