



DATA SNAPSHOT

Experience Management Trends, 2024

James Scutt, XMP
Principal XM Catalyst

Talia Quaadgras
Research Program Manager

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Executive Summary

KEY FINDINGS IN THIS REPORT

As part of Qualtrics XM Institute's Q1 2024 Experience Management (XM) Professionals Study, we asked hundreds of XM professionals about their planned XM investments, 2024 employee and customer experience priorities, and expected future usage of XM technologies. From our analysis, we found that:

Two-thirds of organizations are in the second or third stage of XM maturity. Two-thirds of practitioners described their organization's state of XM Maturity as either Stage 2: Investigate, or Stage 3: Mobilize, at 33% each. Twelve percent say their organization is in the first stage of maturity (Investigate), while 5% have achieved the fifth stage: Embed.

Trust is growing in importance, but many organizations still don't measure it. Sixty-nine percent of respondents said that customer trust will be more important to their organization's success this year compared to last year, while 61% said the same about employee trust. Despite this increasing importance, only 21% measure customer trust monthly or more, while 24% don't measure it at all.

Organizations are investing more in XM technology and less in XM consultants. Compared to last year, 30% of XM professionals expect their organization to invest more in XM technology, while 14% expect to invest less. XM consultants may expect a decrease in work this year, with 30% of organizations spending less on this resource and just 14% expecting to spend more.

Those with higher XM ambition also enjoy stronger business results. Compared to organizations' whose business results are on par or worse than industry peers, those with stronger business results are more likely to have senior leaders with *somewhat* (+11 percentage points) or *very high* (+2 percentage points) ambition for improving the organization's XM.

STUDY KEY FACTS

- 283 XM professionals from companies with 1,000+ employees
- Sourced through the XM Institute network
- Conducted in Q1 2024

Experience Management Trends, 2024

STUDY OVERVIEW

The data for this report comes from an XM professionals study that Qualtrics XM Institute conducted in the first quarter of 2024. Using an online survey, XM Institute collected data from 283 XM professionals from organizations with 1,000 or more employees.

XM Institute surveyed XM management professionals connected through our subscriber list for our monthly newsletter, through members of XM Pros (Experience Management Professionals community), and other professional networking sites.

FIGURES IN THE REPORT

1. Organization Demographics
2. XM Maturity
3. Previous Change in Focus on XM Areas
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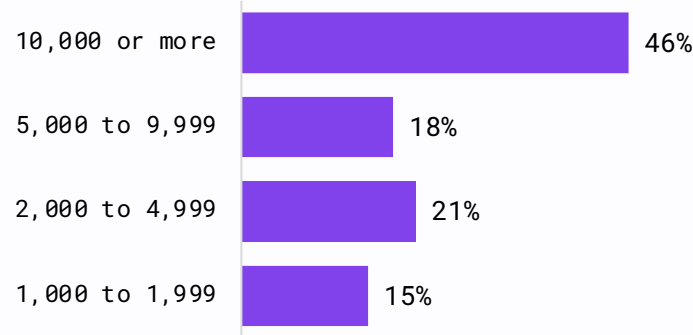
Methodology

Organization Demographics

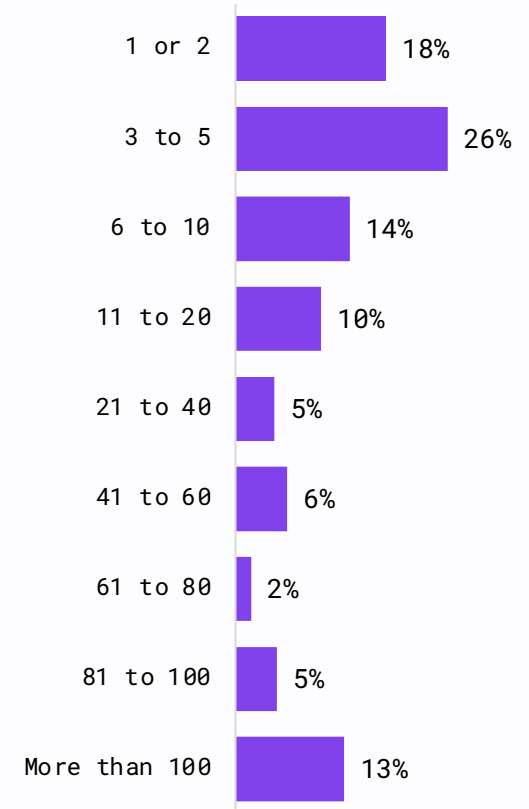
KEY TAKEAWAYS

- + More than half of respondents came from organizations with 10 or fewer employees dedicated to XM.
- + Forty-six percent of respondents have 10,000 or more employees in their overall organization.

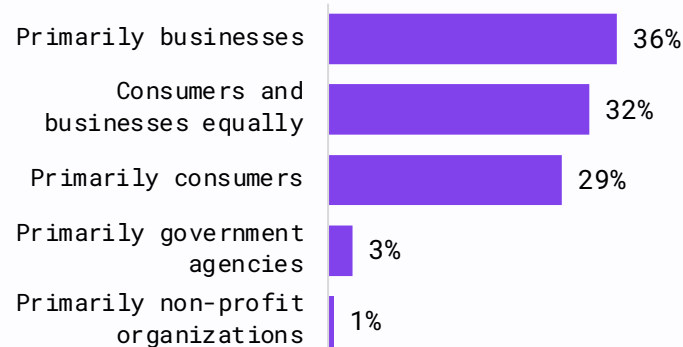
How many employees are there in your overall organization?



How many full-time employees are dedicated to XM in your organization?



Which of the following best describes your organization's primary customers?



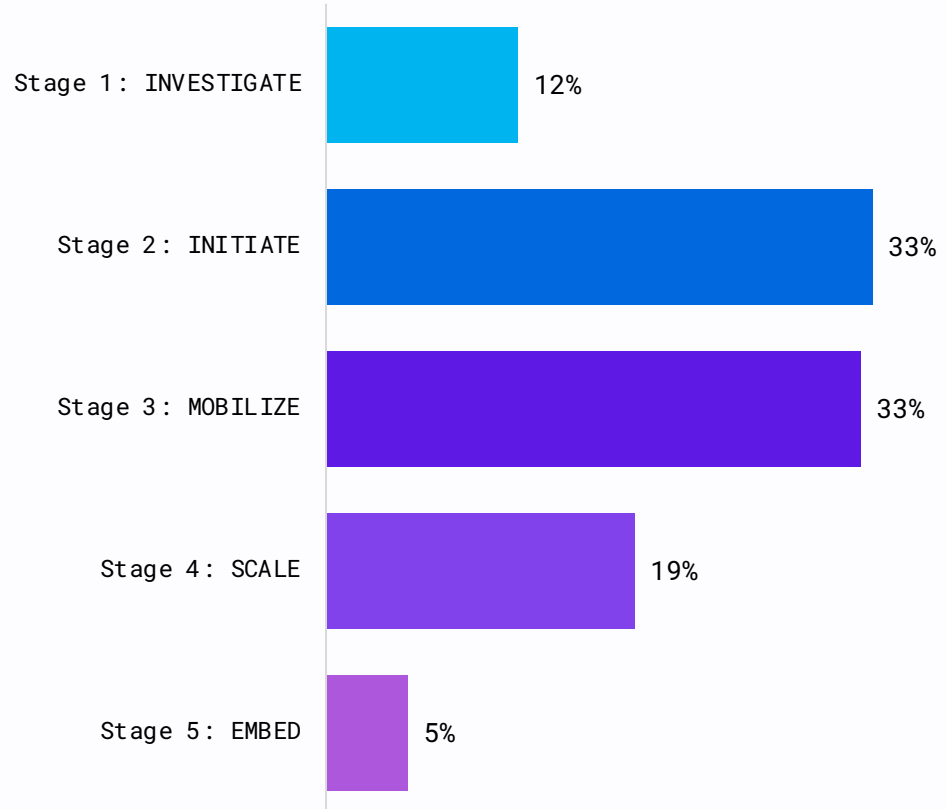
ABOUT

Base: 283 XM Professionals from orgs with 1,000+ employees
Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

Which of the following best describes your organization's overall state of XM maturity?

KEY TAKEAWAYS

- + Just twelve percent of respondents say their organization is in the first stage of XM Maturity: Investigate.
- + Thirty-three percent of organizations are in each of the 2nd and 3rd stages of XM Maturity: Initiate and Mobilize.



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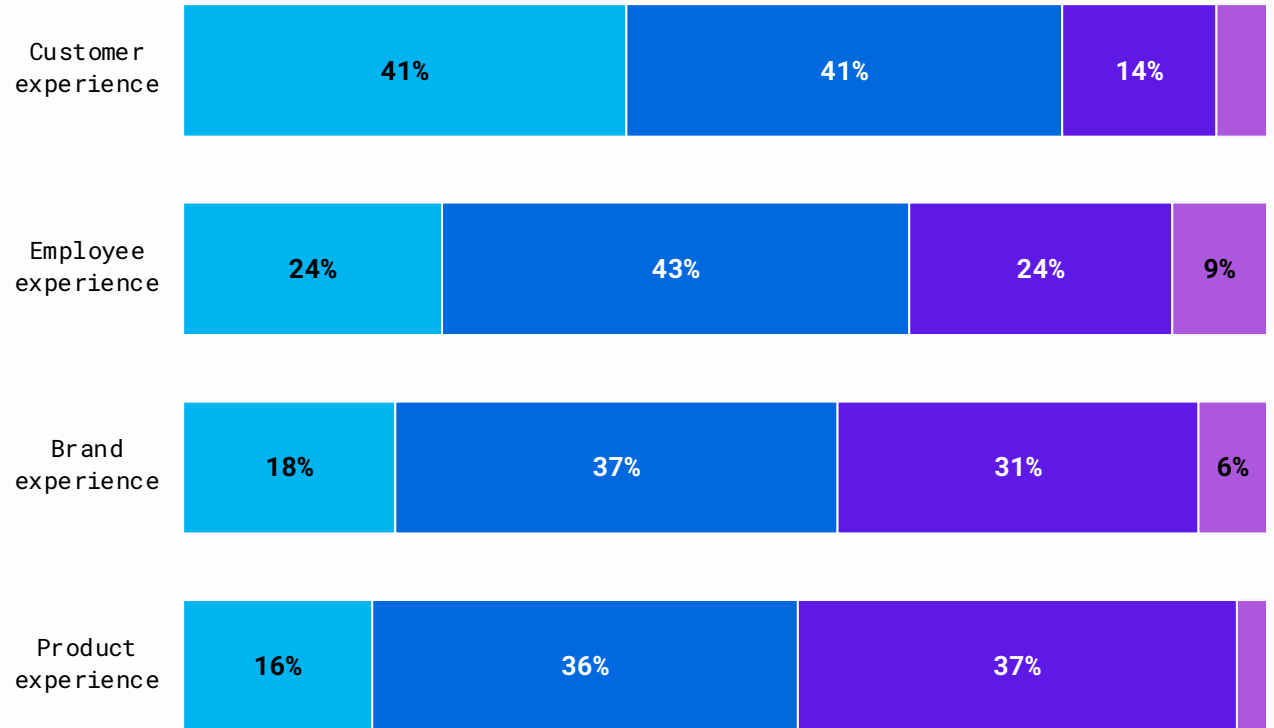
Previous Change in Focus on XM Areas

KEY TAKEAWAYS

- + Eighty-two percent of respondents said that their organization's focus on customer experience has increased over the past two years.
- + Respondents least frequently said that their organization's focus on product experience has increased over the past two years, at 52%.

How has your organization's focus on these elements of Experience Management changed over the past two years?

■ Significantly increased
 ■ Moderately increased
 ■ No change
 ■ Moderately/Significantly decreased



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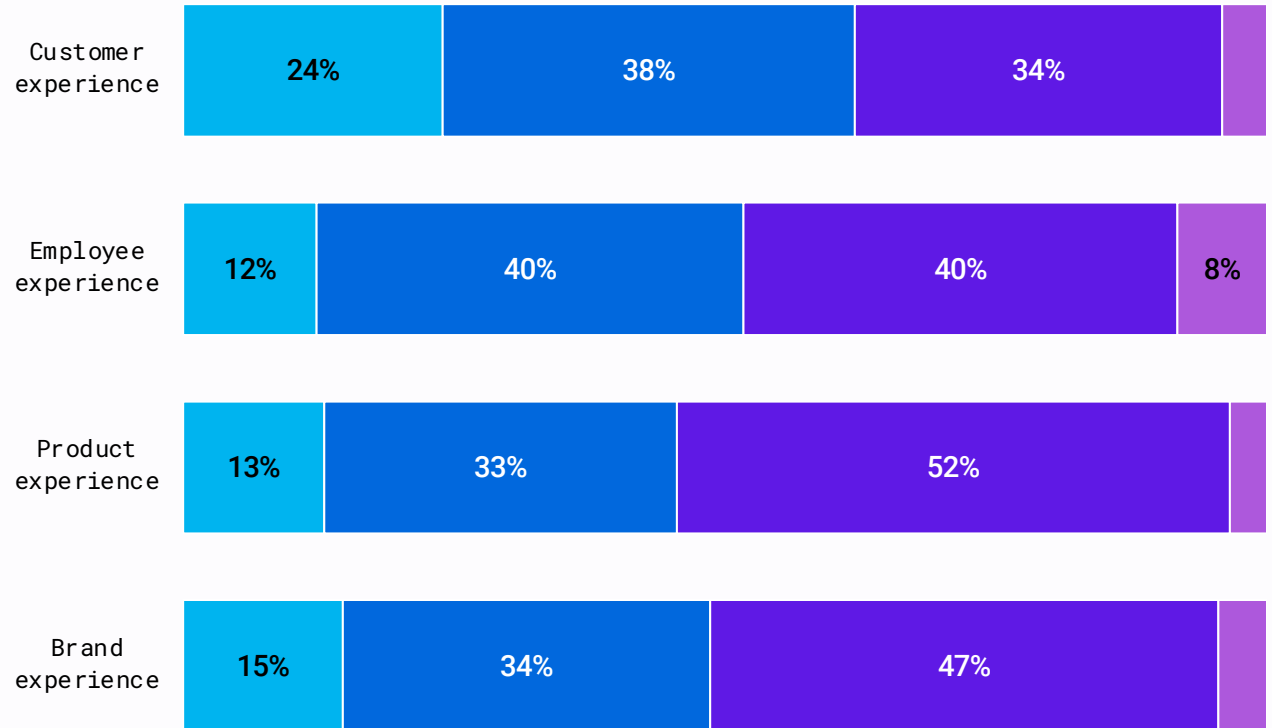
Future Focus on XM Areas

KEY TAKEAWAYS

- + In 2024, 62% of respondents expect their organizations to focus more on customer experience compared to 2023.
- + Employee experience will receive the greatest decline in focus, with 8% of respondents estimating that their organization will focus on this area *moderately or significantly less* than in 2023.

Compared with 2023, how much do you think your organization will focus on these elements of Experience Management in 2024?

■ Significantly more
 ■ Moderately more
 ■ About the same
 ■ Moderately/Significantly less



ABOUT

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Importance of Customer Trust

KEY TAKEAWAYS

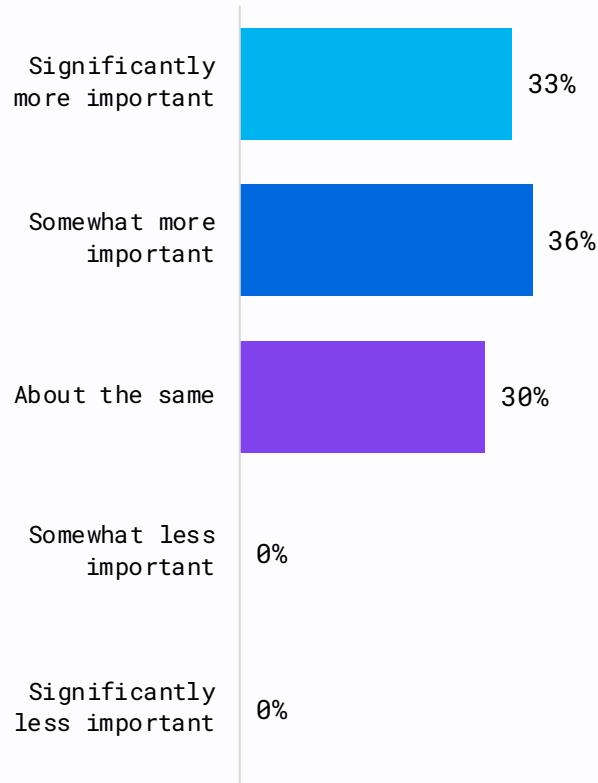
- + Sixty-nine percent of respondents say that customer trust is more important to their organization's success compared to last year – while none said it is less important.
- + Nearly one-quarter (24%) of respondents say that they don't measure customer trust at all.

ABOUT

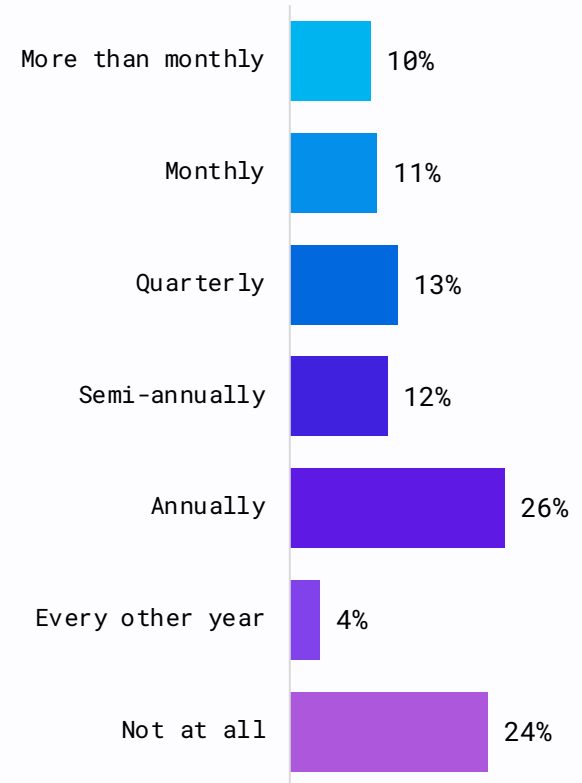
Base: 283 XM Professionals from orgs with 1,000+ employees

Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

Compared to last year, how important is customer trust to your organization's success?



How frequently does your organization measure customer trust?



Importance of Employee Trust

KEY TAKEAWAYS

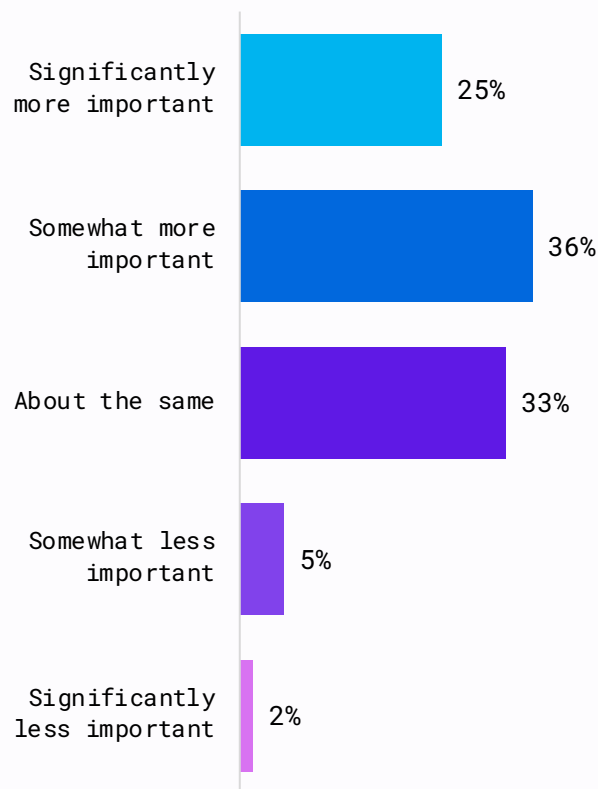
- + Sixty-one percent of respondents say that employee trust is more important to your organization's success compared to last year, while 7% said it is less important.
- + Fourteen percent of organizations don't measure employee trust. Forty percent measure employee trust annually.

ABOUT

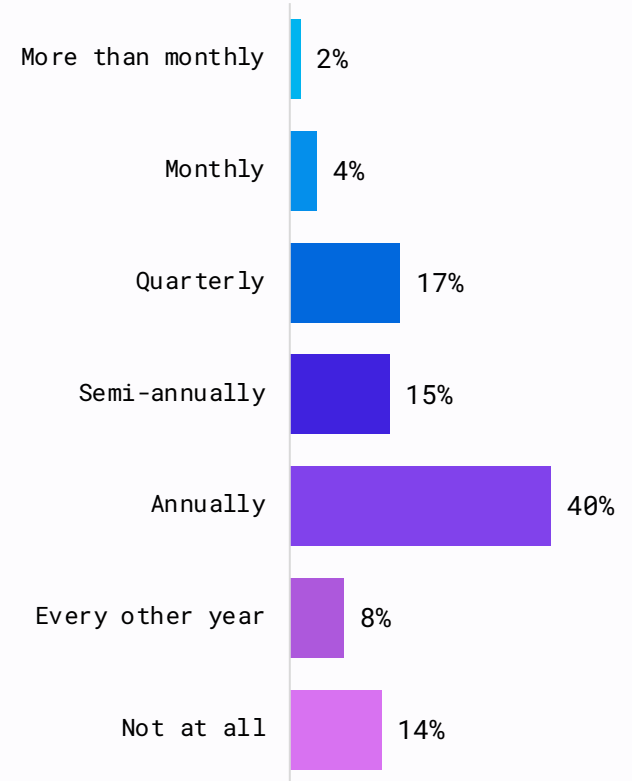
Base: 283 XM Professionals from orgs with 1,000+ employees

Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

Compared to last year, how important is employee trust to your organization's success?



How frequently does your organization measure employee trust?



Organizational XM Technology & Competency

KEY TAKEAWAYS

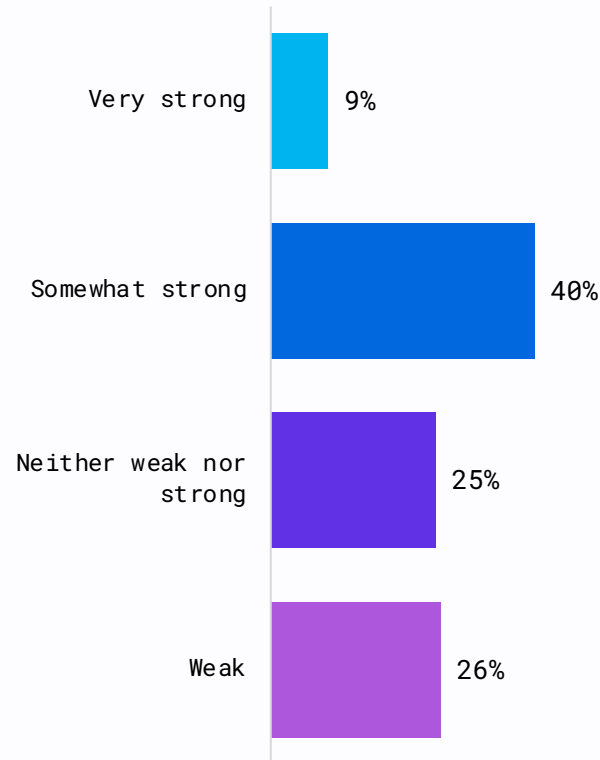
+ Nearly half (49%) of respondents rate their organizations' XM technology as strong. 48% say the same about their organization's XM skills and capabilities.

ABOUT

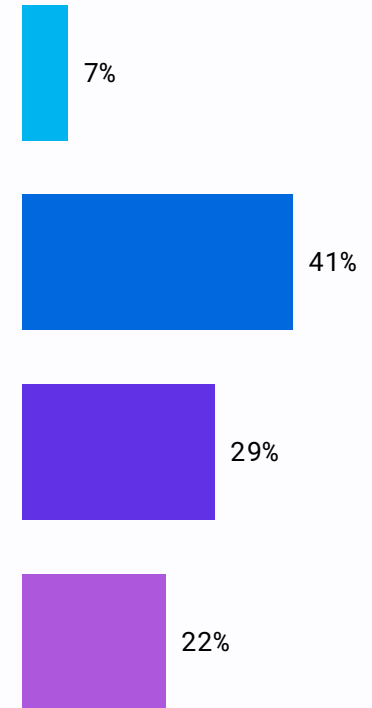
Base: 283 XM Professionals from orgs with 1,000+ employees

Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

How would you rate your organization's technology that supports your organization's XM efforts?



How would you rate your organization's XM skills and capabilities?

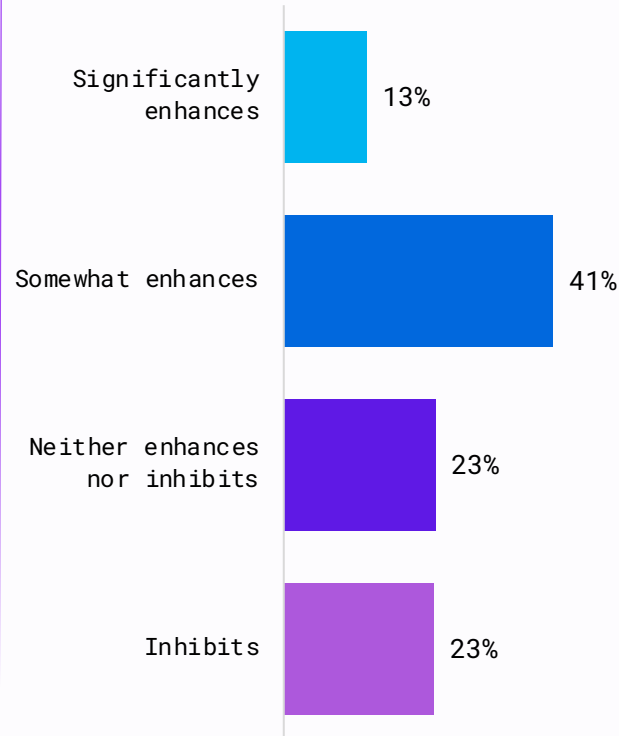


Organizational XM Culture & Ambition

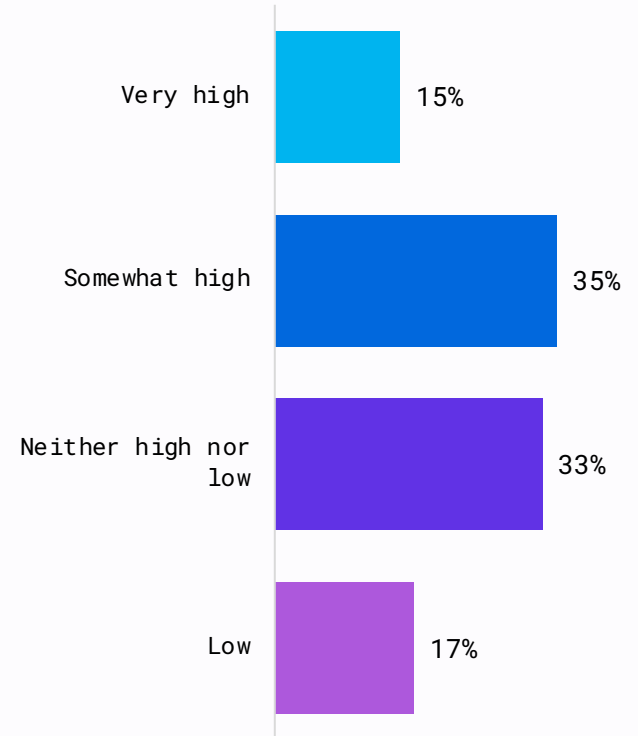
KEY TAKEAWAYS

- + Thirteen percent of respondents reported that their organization's culture *significantly enhances* their XM efforts. 23% say their culture inhibits their XM efforts.
- + Half of respondents say their senior leaders have *somewhat* or *very high* ambition for improving the organization's XM capabilities.

To what degree does your organization's culture support your Experience Management efforts?



What level of ambition does your organization's senior leaders have for improving the organization's Experience Management capabilities?



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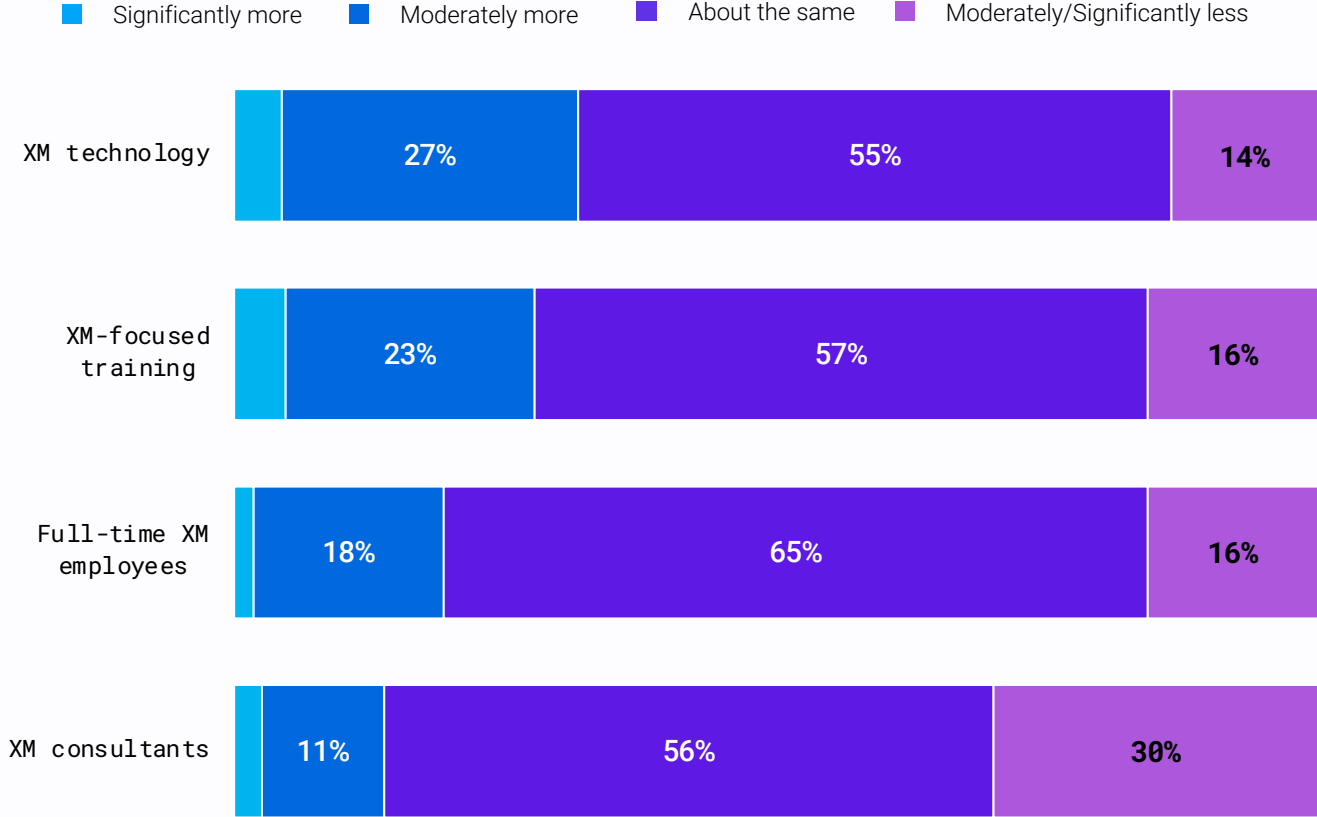
Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

2024 Experience Management Resource Investments

KEY TAKEAWAYS

- + Thirty percent of respondents expect their organization to invest in XM technology more than last year, while 14% expect less investment in this resource.
- + Fourteen percent of respondents said their organizations will invest in XM consultants more this year, while 30% said they'll invest less.

Compared with last year, how much do you think your organization will invest in these Experience Management resources this year?



ABOUT

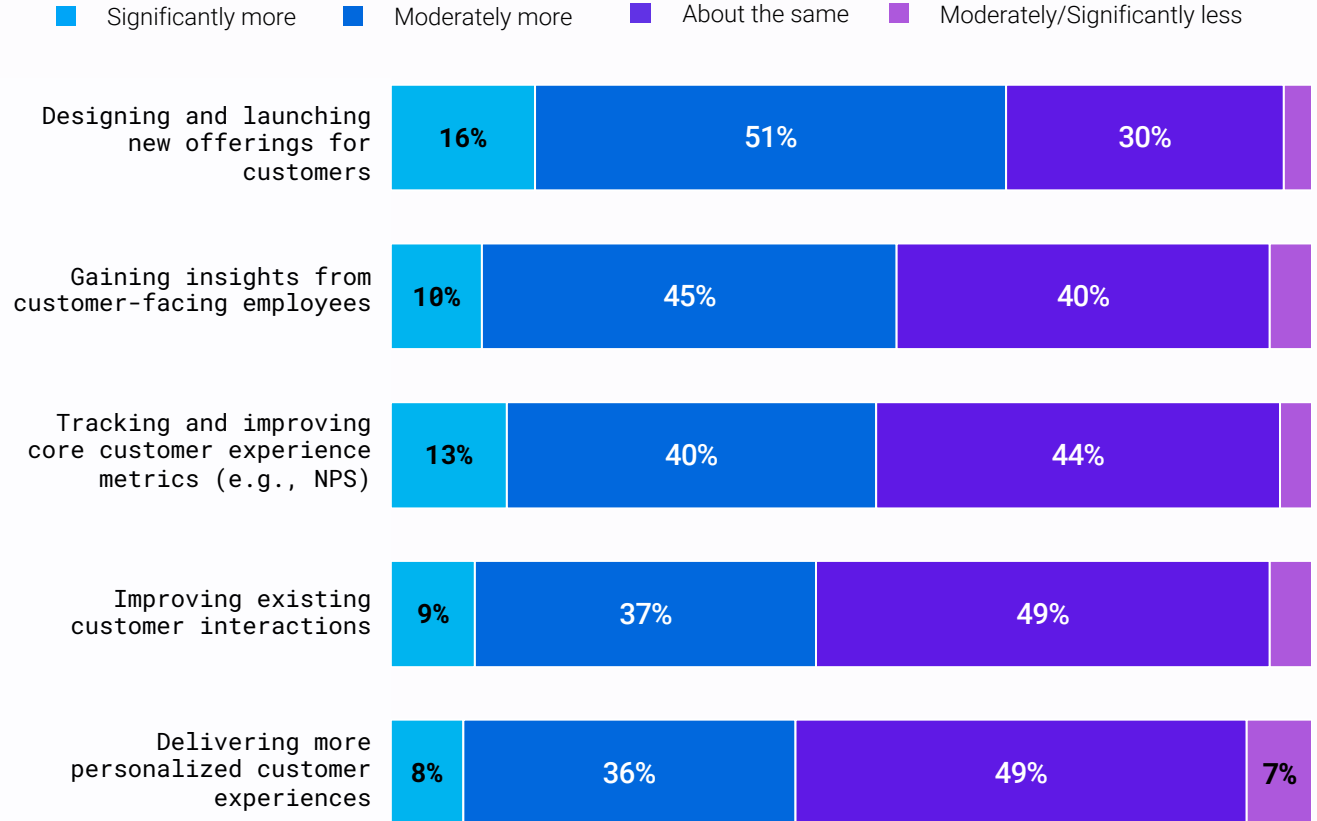
Base: 283 XM Professionals from orgs with 1,000+ employees
 Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

2024 Customer Experience Focus

KEY TAKEAWAYS

+ XM professionals expect the greatest increase in their organization's CX emphasis to be on *designing and launching new offerings for customers* in 2024, at 67%, while just 3% expect emphasis on this area to decrease.

Compared with last year, how much emphasis do you think your organization will place on these areas of customer experience in 2024?



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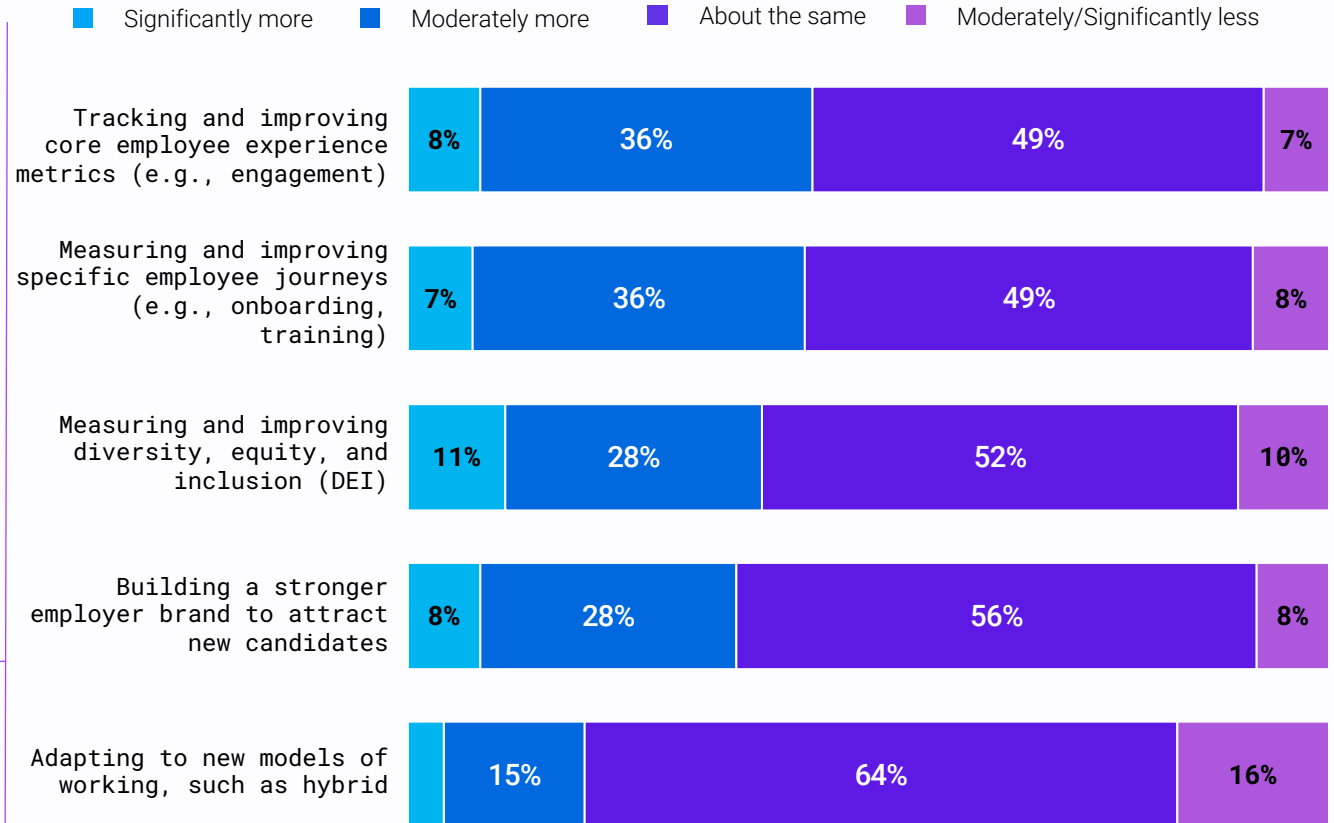
2024 Employee Experience Focus

KEY TAKEAWAYS

+ Compared with last year, XM professionals expect the greatest EX increase in emphasis in their organization to be on *tracking and improving core employee experience metrics* (44%).

+ Just 19% of XM professionals expect their organization to focus more on *adapting to new models of working*, while 16% expect focus on this area to decrease in 2024.

Compared with last year, how much emphasis do you think your organization will place on these areas of employee experience in 2024?



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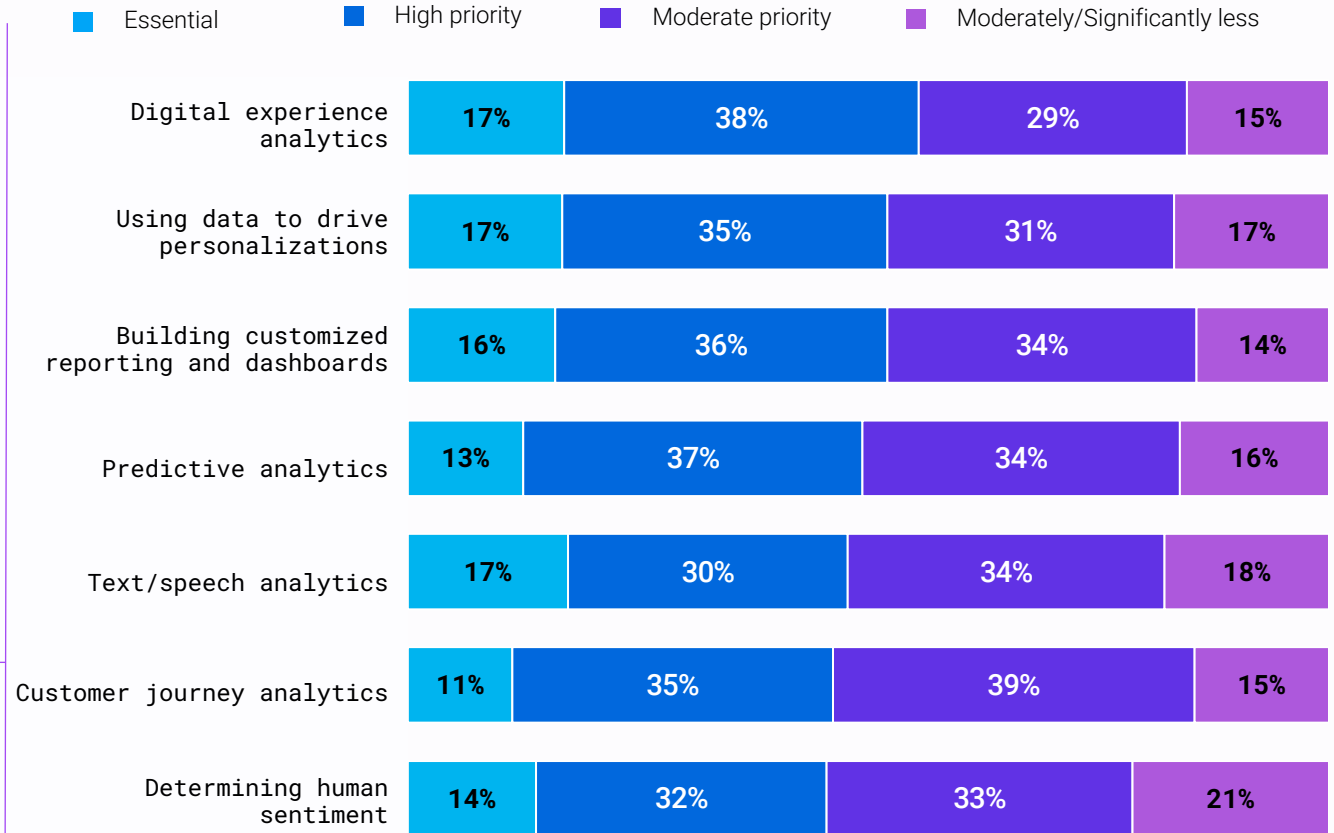
Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

2024 Technologies Usage (Part 1)

KEY TAKEAWAYS

+ XM professionals expect the increased focus on *digital experience analytics* the most, at 55%.

How much of a priority will it be for your Experience Management efforts to increase focus on these elements over the next two years?



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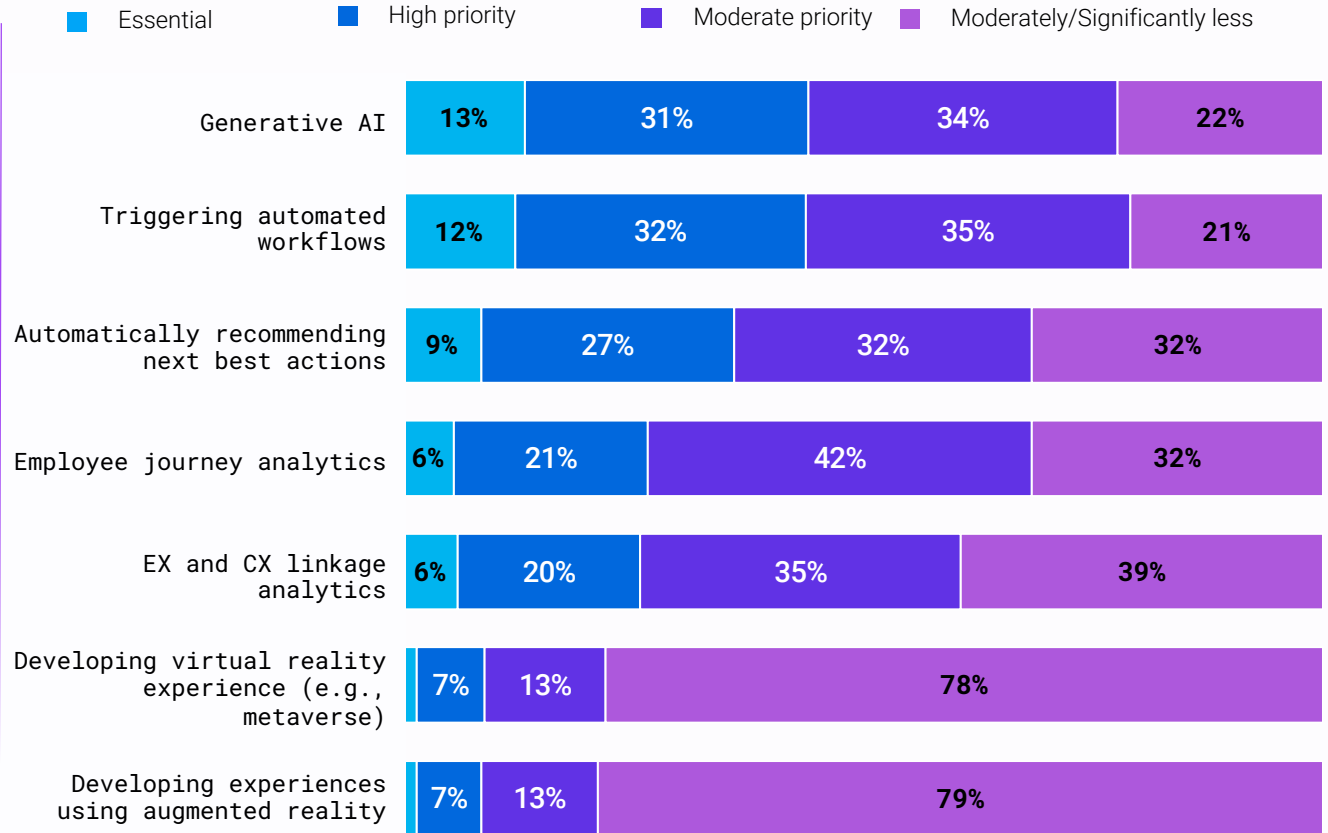
Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

2024 Technologies Usage (Part 2)

KEY TAKEAWAYS

- + Forty-four percent of XM professionals expect *generative AI* to be more of a priority over the next two years, while 22% say it is either a *low priority* or *not a priority*.
- + Organizations are least likely to prioritize *developing experiences using augmented reality* or *virtual reality experiences*, with just 9% of XM professionals placing it as a *high priority* or *essential*.

How much of a priority will it be for your Experience Management efforts to increase focus on these elements over the next two years?



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Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

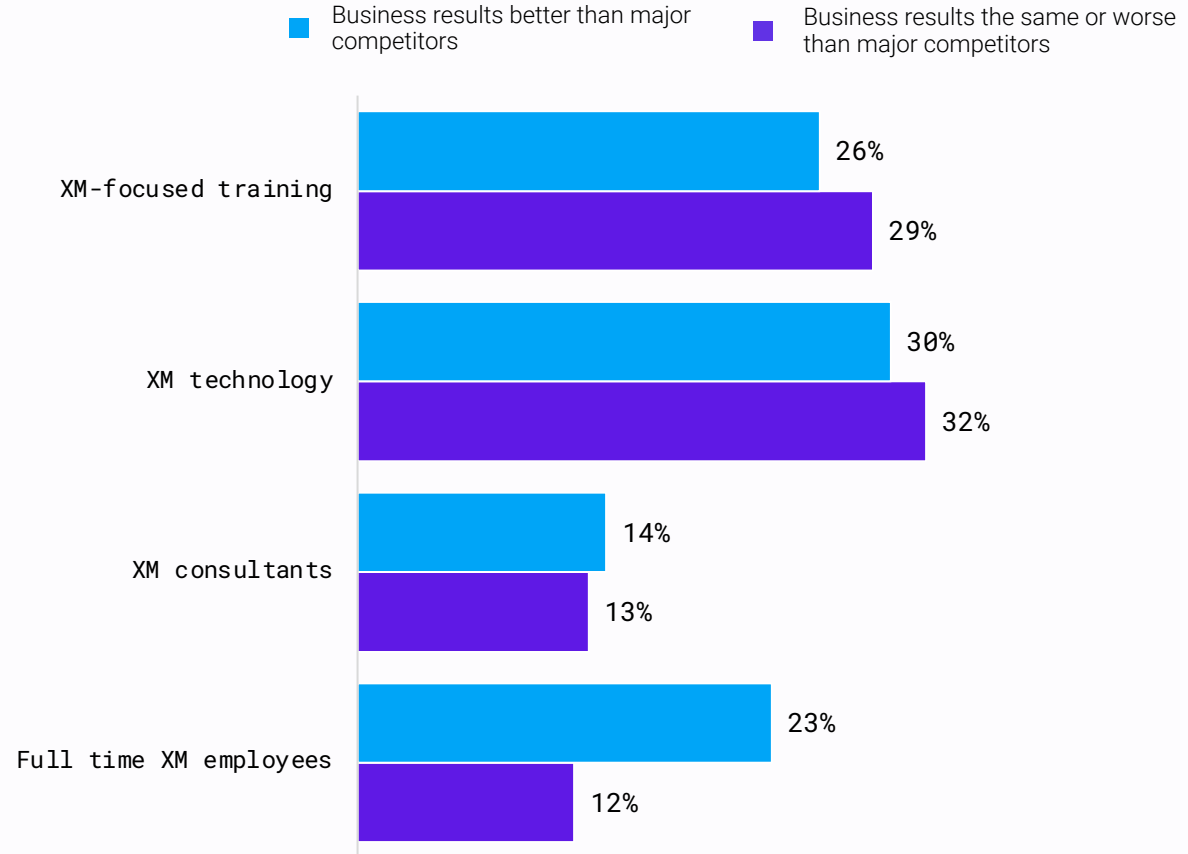
XM Resource Investments by Business Results

KEY TAKEAWAYS

- + Organizations with better business results than competitors are more likely to invest more in XM consultants and full-time XM employees.
- + The greatest gap between businesses with better results compared to those with similar or worse results than competitors is for increased investments in full-time XM employees.

Compared with last year, how much do you think your organization will invest in these Experience Management resources this year?

Significantly or somewhat more



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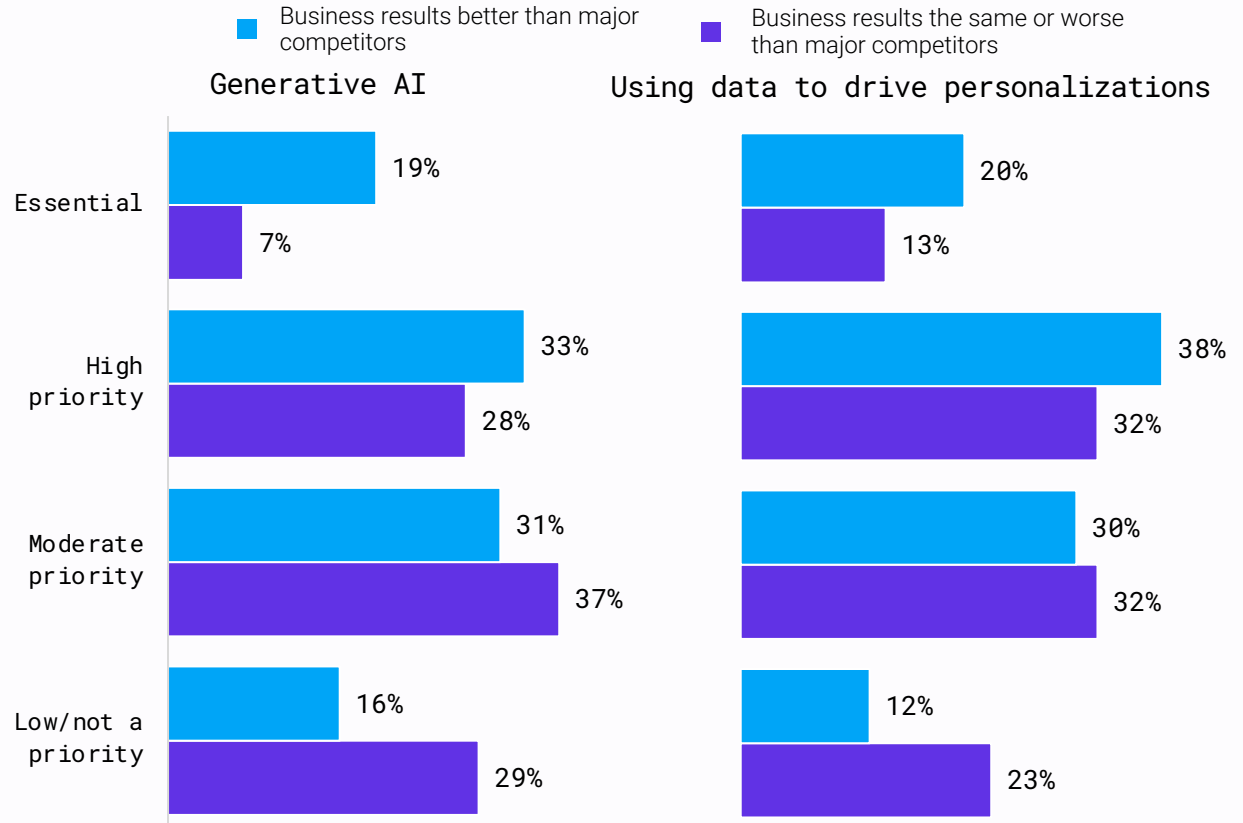
Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

Increased Technology Focus by Business Results

KEY TAKEAWAYS

+ Companies with stronger business performance than their competitors are more likely than those with similar or worse performance to say it is *essential* or a *high priority* to increase focus on *Generative AI* and *using data to drive personalizations*.

How much of a priority will it be for your XM efforts to increase focus on this element over the next two years?



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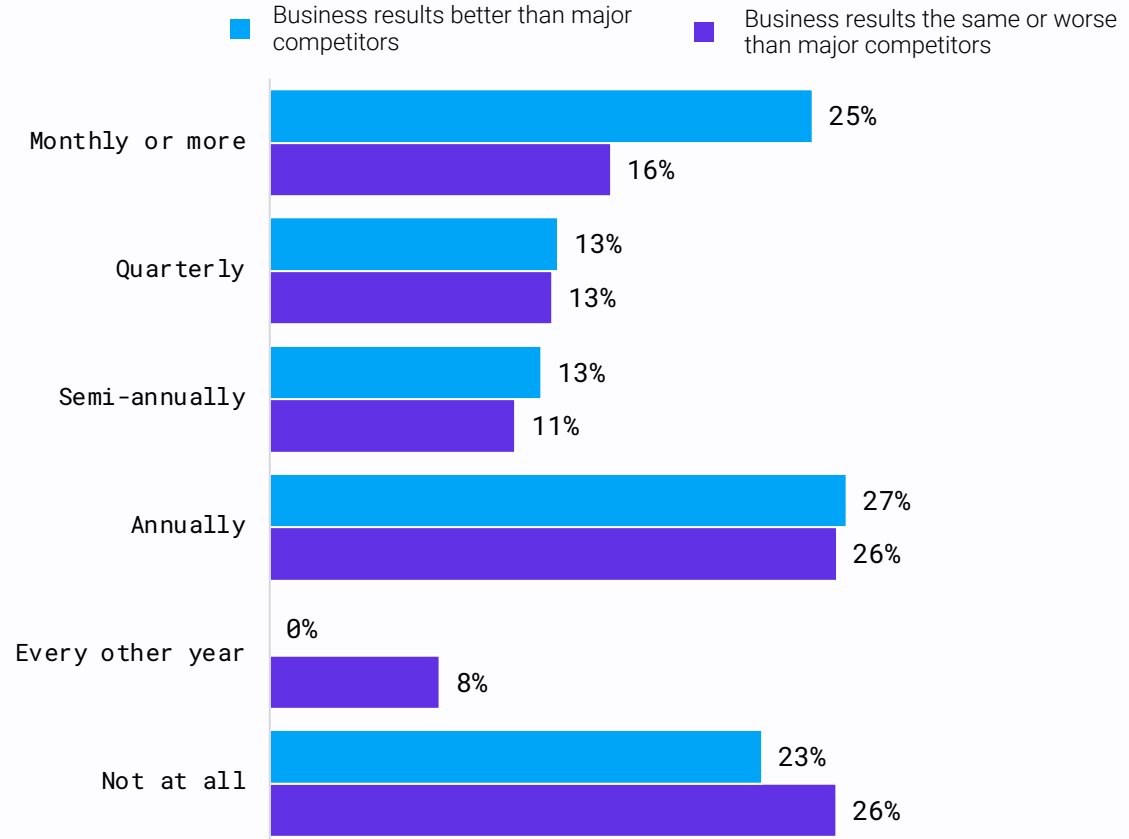
Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

Customer Trust Measurement by Business Results

How frequently does your company currently measure customer trust?

KEY TAKEAWAYS

+ Organizations reporting stronger business results than those with average or worse results are also 9 points more likely to measure customer trust monthly or more frequently, while those with worse results are 3 points more likely not to measure customer trust at all.



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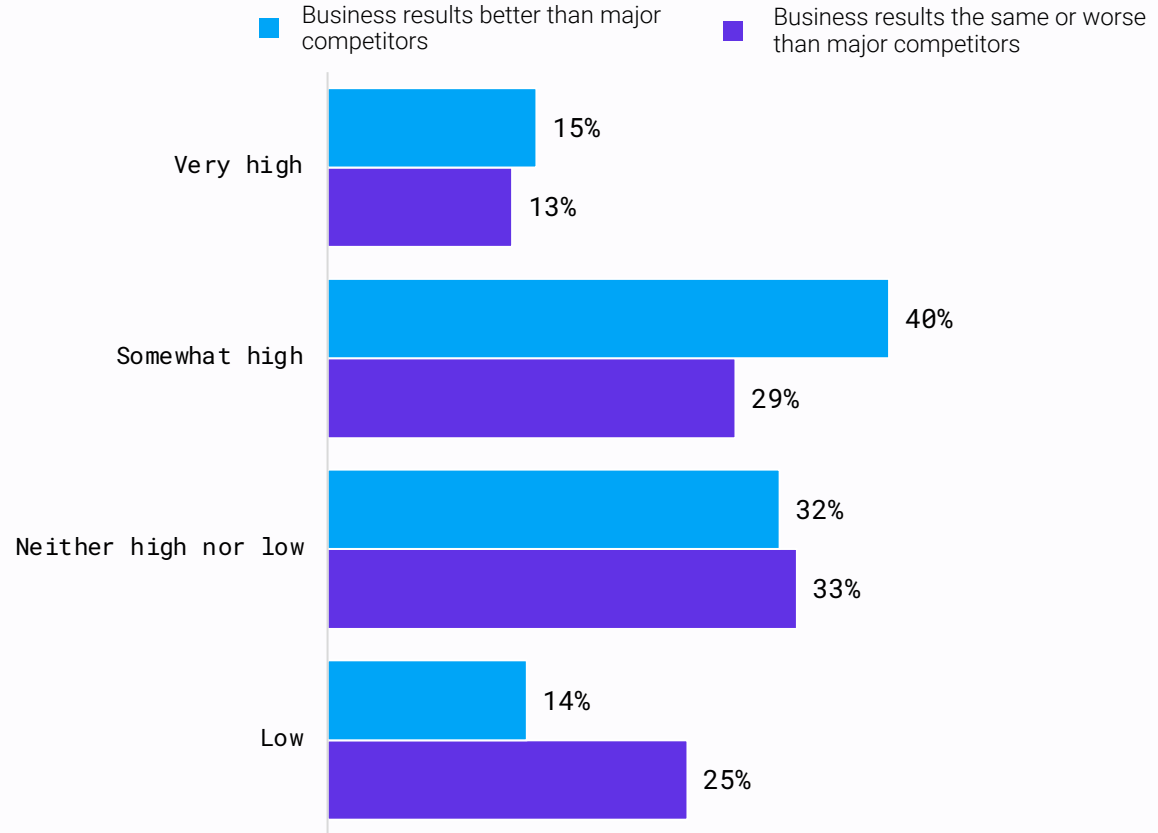
Source: Qualtrics XM Institute Q1 2024 XM Professionals Survey

XM Ambition by Business Results

What level of ambition does your organization's senior leaders have for improving the organization's XM capabilities?
Very or somewhat high

KEY TAKEAWAYS

- + Organizations with *somewhat* and *very high* levels of XM ambition are also more likely to enjoy business results that are better than their industry competitors.
- + Businesses with similar or worse business results than competitors are 11 points more likely to have leadership with low XM ambitions.



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DATA CALCULATION

In **Figures 1-13**, we calculated each percentage by dividing the number of responses for each option by the total number of respondents for that question.

In **Figures 14-19**, we found the number of respondents who said their organization had *somewhat* or *significantly better business results compared to its major competitors over the previous year* and the number who said their organization had *about the same, somewhat worse, or significantly worse business results*. We then found the percentage of each population that also selected each statement with regard to the titled question(s).

AUTHORS

James Scutt, XMP – Principal XM Catalyst
Talia Quaadgras – Research Program Manager

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