

# Temkin Group **Insight** Report



## The Current State Of Customer Experience

Only 3% Of Firms Are Truly Customer-Centric

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This is a summary of the  
full report

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## Executive Summary

We analyzed survey results from more than 140 large North American firms. Using the Temkin Group customer experience competency model, we found that only 3% of firms were “Customer-Centric Organizations” while 33% of firms were “Customer-Oblivious Organizations.” While companies rated highest in the area of Purposeful Leadership, only 16% received “very good” ratings in that competency area. This data highlights that companies are still in very early stages of customer experience maturity. We expect the results to improve over time; as 65% of respondents want to be customer experience leaders within three years.

## Companies Are In Early Stages Of Customer Experience Maturity

In this report, we’ve compiled data snapshots from the Temkin Group May 2010 Survey. This analysis looks at responses from 140+ North American firms that have annual revenues of \$500 million or more. The data insights have been arranged into several categories.

- **Plans, Ambitions, And Priorities**
- **Voice Of The Customer (VoC) And Net Promoter**
- **Social Media Efforts**
- **Customer Experience Competencies**

## Data Charts In This Report

This report has 20 figures:

- **Figure 1: Customer Experience: Current And Future Ambition**
- **Figure 2: Customer Delight Across Interactions**
- **Figure 3: Importance Of Various Corporate Goals**
- **Figure 4: Magnitude Of Customer Experience Efforts**
- **Figure 5: Enterprisewide Customer Experience Leadership**
- **Figure 6: Organizations Leading Customer Experience Efforts**
- **Figure 7: Significant Obstacles To Customer Experience Efforts**
- **Figure 8: Formalized Voice Of The Customer Programs**
- **Figure 9: Voice Of The Customer Activities**
- **Figure 10: Gauging Your Voice Of The Customer Activity**
- **Figure 11: Adoption Of Net Promoter Score (NPS)**
- **Figure 12: Companies Doing Social Media Activities**
- **Figure 13: Gauging Your Social Media Activity**

- **Figure 14: The Four Customer Experience Competencies**
- **Figure 15: Customer Experience Competency Assessment**
- **Figure 16: Customer Experience Competencies (Highest Levels)**
- **Figure 17: Customer Experience Competencies (Lowest Levels)**
- **Figure 18: Levels Of Customer Experience Competencies**
- **Figure 19: Customer Experience Competency Assessment Scores**
- **Figure 20: Overall Customer Experience Competency Levels**

## About The Study

Temkin Group fielded an online survey during May 2010. There were more than 440 respondents. After isolating the qualifying companies for this study (North American firms with at least \$500 million in annual revenues), Temkin Group cleaned out abnormal responses. We ended up with 155 total respondents, but only 140 completed all aspects of the survey.

Here are some of the demographics of the respondents:

- More than half (103) have annual revenues of more than \$1 billion
- The largest industries represented in the sample were technology products and services (31), uncategorized (23), banks and consumer finance (22), insurance (17), health insurance (8), and manufacturing (8).
- There were 141 North American firms, 11 Canadian firms, and 3 that identified themselves as operating globally.
- The primary customers that respondents identified were: Consumers (51), Businesses (45), Consumers & Businesses (58), and Governmental Agencies (1).

## About The Author, Bruce Temkin

Bruce Temkin is Customer Experience Transformist & Managing Partner of Temkin Group. He is widely viewed as a leading expert in how organizations build differentiation with customer experience. He has worked with hundreds of large organizations on the strategies, operational processes, organizational structures, leadership, and culture required to sustain superior customer relationships.

Bruce is the author of the popular blog Customer Experience Matters ([experiencematters.wordpress.com](http://experiencematters.wordpress.com)) where he regularly posts insights on topics such as customer experience, branding, and leadership.

Prior to forming Temkin Group, Bruce was Vice President & Principal Analyst with Forrester Research. During his 12 years with Forrester, he led the company's business-to-business, financial services, eBusiness, and customer experience practices. Bruce was Forrester's most-read analyst for 13 consecutive quarters and was one of the most respected analysts in the industry.

Bruce authored several Forrester's most popular research reports on customer experience including "*Experience-Based Differentiation*," "*The Customer Experience Journey*," and "*Voice Of The Customer: The Next Generation*." He created Forrester's Customer Experience Index, which rates more than 100 firms on their overall customer experience. He also led the creation and updates of many of Forrester's customer experience evaluation methodologies and training workshops.

Prior to Forrester, Bruce co-founded and ran a couple of Internet start-ups. He also held management positions with GE, Stratus Computers, and Fidelity Investments.

Bruce has been widely quoted in the press, including media outlets such as New York Times, Wall Street Journal, and Business Week.

Bruce is a highly demanded public speaker who combines deep expertise with an engaging, entertaining style. He has delivered keynote speeches at hundreds of industry and corporate events; often recognized as the top speaker. At Forrester's inaugural Customer Experience Forum in 2009, for instance, his two sessions received the top ratings of the event.

Bruce holds a master's degree from the MIT Sloan School of Management, where he concentrated in business strategy and operations. He also holds an undergraduate degree in mechanical engineering from Union College.

## About Temkin Group

Temkin Group is a customer experience consulting firm with one simple goal for its clients: increase customer loyalty by becoming more customer-centric. We combine customer experience thought leadership with a deep understanding of the dynamics of large organizations to help senior executives accelerate their results.

Temkin Group was formed based on four core beliefs:

1. **Customer experience drives loyalty.** Our research and work with clients has shown that customers experience influences how much people buy from you, switch away from you, and how often they recommend you.
2. **Improvement requires systemic change.** Companies can improve customer interactions in isolated areas, but they can't develop competitive advantage until customer experience is embedded in their operating fabric.
3. **It's a journey, not a project.** Building the capabilities to consistently delight customers doesn't happen overnight. Companies need to plan for a multi-year corporate change initiative.
4. **We can help you make a difference.** Transformation efforts aren't easy, but leading your company to be more customer-centric is worth the effort. Temkin Group can help organizations accelerate their results and avoid many of the bumps along the way.

## Temkin Group Services

Temkin Group services include:

- **Interactive workshops** to instill a common mindset, vocabulary, and approach across an organization.
- **Strategic reviews of customer experience plans** and objectives to identify opportunities for accelerating efforts and avoiding missteps along the way.
- **Assessments of customer experience competencies** to identify and close critical gaps.
- **Senior executive sessions** to ensure appropriate levels of alignment and commitment.
- **Executive coaching** to help executives leading customer experience efforts.
- **Speeches and webinars** to teach customer experience concepts.