

2024-2025

The state of the customer journey experience

Discover the latest trends and challenges in journey management and how this critical element of CX has evolved since 2023

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RESEARCH
REPORT

INSIDE

- How to overcome the biggest roadblocks that prevent CX practitioners from actioning the best customer experience
- Tips to help prove the ROI of customer journey experience to executive teams
- The outlook for journey management in 2025 – and the role AI is likely to play

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Foreword

In the age of connected digital experiences, the practice of customer journey mapping has quickly become ineffective. Today, customer journeys require intelligent design and dynamic management. This work must be based on real-time data and can only be delivered with the support of a robust suite of tools that can reliably inform organization-wide decision-making.

In designing and delivering effective journeys, practitioners face many challenges, from utilizing data to understanding customer behavior. But perhaps the greatest challenge is that executive teams still struggle to understand the value of the modern customer journey.

Following the hugely popular research report, **The state of the customer journey experience 2023-2024**, CX Network has once again partnered with Alterian to research the trends, challenges and opportunities that exist around journey management at present. Building on our findings from 2023, **The state of customer journey success 2024-2025** looks at the adoption of key tools and techniques and crucially, how journey management has progressed year-on-year.

The report is based on research conducted among our network members across the Americas, Europe, the UK and Ireland. Between July 15 and August 26, 2024, 107 CX Network members shared the greatest challenges they face when implementing and managing successful customer journeys, the roadblocks that prevent them from delivering the best customer experiences, and the metrics they use to measure success.

Drawing on the responses to that survey, this report explains what is happening in major organizations at present by comparing two years of research to paint a comprehensive picture of the challenges and opportunities that exist, and what they mean for customer journey success moving forward.

The report includes commentary from CX leaders at BDC Canada, Proofworks, John Holland Group, Alterian and the telco industry, to ensure readers gain a deep understanding of the major roadblocks to successful journey management, and the key opportunities in 2025 and beyond.



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CX success and journey roadblocks

Hand-in-hand with high-quality products and services, the customer's journey is a cornerstone of their overall experience with an organization or brand. For journeys to be successful however, in addition to driving satisfaction and repeat business, they should demonstrate a direct impact on key organizational targets.

To establish how organizations in the Americas, Europe, the UK and Ireland identify CX success, we asked network members what success looks like for their business and customers. The most selected response was ensuring seamless and positive customer experiences across all touchpoints (79 percent, see Figure 1). This was followed by maintaining customer satisfaction while reducing costs (57 percent) and consistently meeting or exceeding revenue and profit targets (48 percent).

When we asked practitioners to tell us about the most significant roadblocks they face in achieving this success, the results echoed our 2023 research.



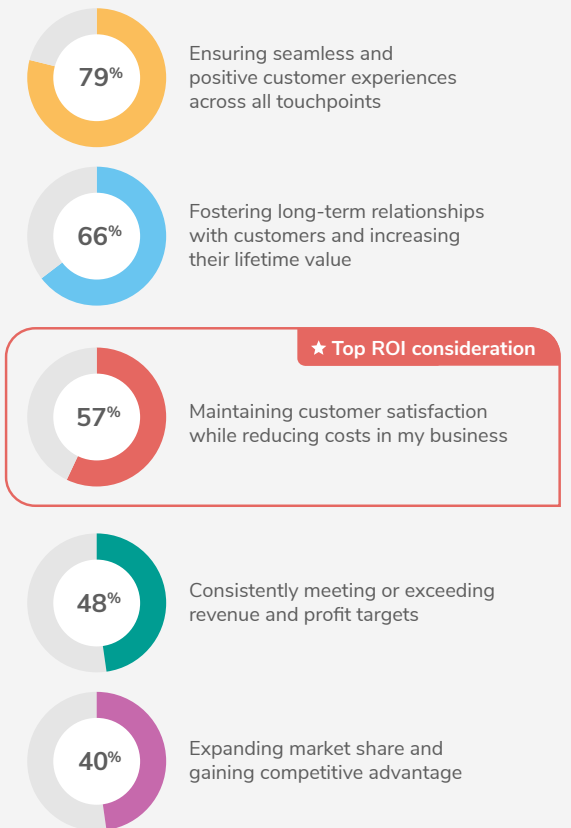
Once again, the most selected roadblock was siloed data and a lack of integrated systems, (76 percent this year, compared with 64 percent in 2023) followed both years by inconsistent CX across channels. Smaller numbers of respondents told us their most significant roadblocks at present are a lack of real-time capabilities to respond to customer needs (41 percent in 2024), limited understanding of customer behavior and preferences, and insufficient personalization/ individualization in customer interactions (both attracting 36 percent of responses this year).

Skander Tayach, senior advisor of client experience for the Business Development Bank of Canada (BDC), says siloed data often prevents organizations from tracking an individual's entire experience throughout the whole journey. "We need to acknowledge that each customer is not represented by each step's aggregated data," he adds.

"We often have access to data from different touchpoints at an aggregated level and this provides relevant and crucial insights to help us gain a strong understanding of the reality of each specific step, channel or interaction in the journey. However, data format, quality and structure differ depending on the context, for example digital vs in person. These differences can include the format, the way data is collected, the timing of data collection and other factors."

FIGURE 1

What does success look like for you as a business and your customers?

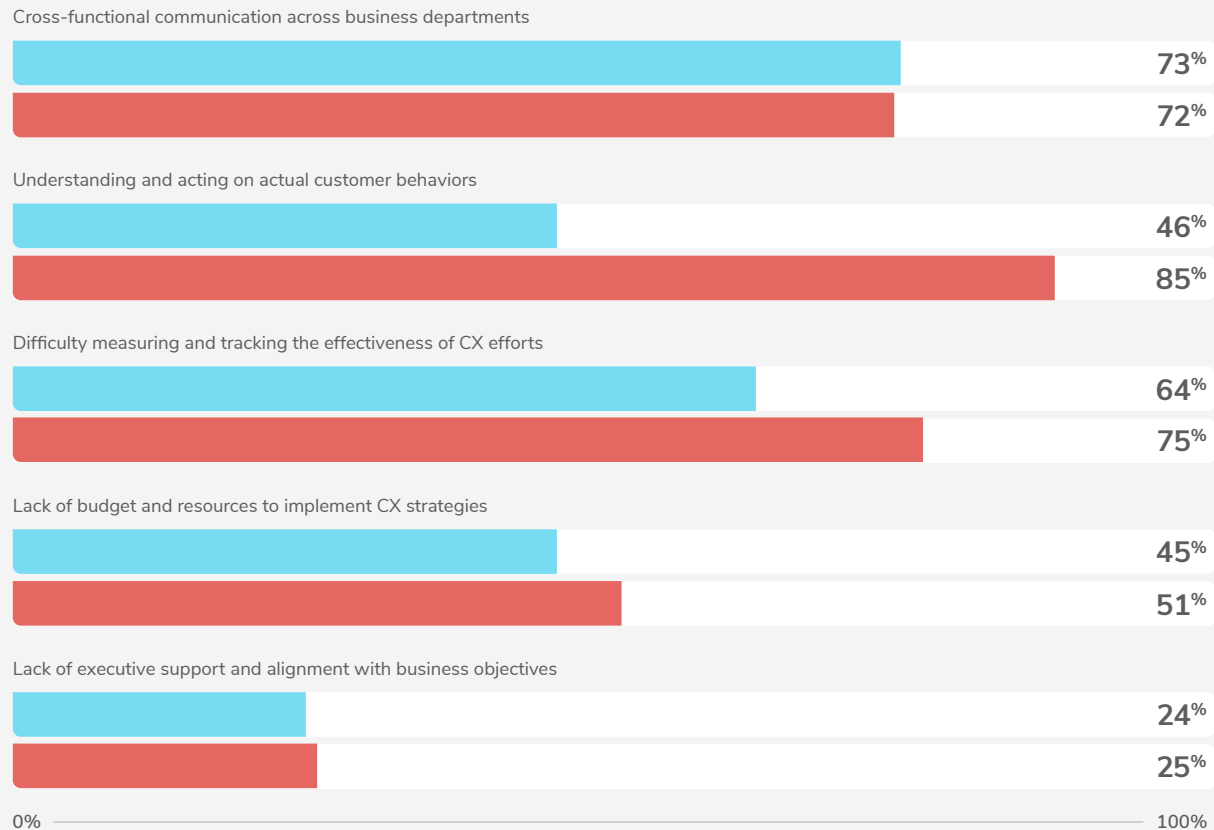


Source: CX Network member survey on journey management success, August 2024. Respondents could select all applicable options.

FIGURE 2

What are your top 3 business/customer journey challenges?

● 2024 ● 2023



Source: CX Network member survey on journey management success, August 2024. Respondents could select three options.

He adds: “In a nutshell, siloed data provide only the ‘vertical perspective’ of a journey, by phase or step. Whereas CX focuses more on a ‘horizontal’ or ‘linear’ perspective to incorporate the entire experience.”



Understanding journey behavior

To establish how their current situation impacts their customers’ journeys, we asked our network members to select their top three customer journey challenges. The most selected response was cross-functional communication across business departments (73 percent, see Figure 2), followed by difficulty measuring and tracking the effectiveness of CX efforts (64 percent) and understanding and acting on actual customer behaviors (46 percent).

As demonstrated in Figure 2, these results demonstrate some progress year-on-year. The most notable finding is that understanding and acting on actual customer behaviors presents far less of a challenge this year (46 percent), compared to last (85 percent). However, the greatest challenge in 2024 is still a significant obstacle: cross-functional communication across business departments (selected by 73 percent of respondents). The second most selected response for the second consecutive year is difficulty measuring and tracking the effectiveness of CX efforts.

Year-on-year the interpretation of success and the common roadblocks to success vary somewhat. However, the sum of the 2024 findings is that only a small minority of nine percent believe they understand their customers' journey behavior "very well". In fact, the majority (51 percent) understand it "fairly well", while 31 percent selected "not very well" and a further nine percent said there is "little understanding of customer journey behavior".

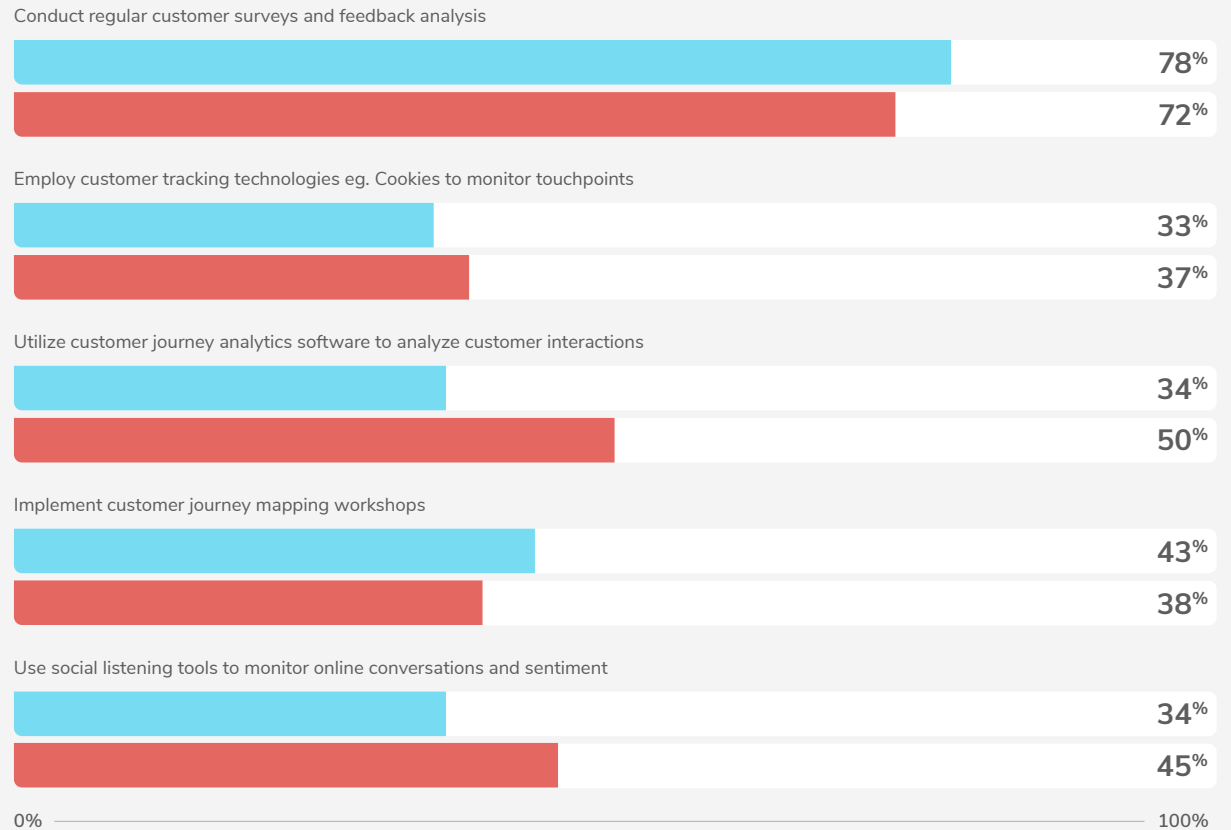
According to Bob Hale, CEO of Alterian, this result highlights a common challenge in understanding comprehensive customer journey behavior and "reveals a significant gap between perception and reality".



FIGURE 3

What does your business do to understand customer journey behavior?

● 2024 ● 2023



Source: CX Network member survey on journey management success, August 2024. Respondents could select all applicable options.

He says: “This discrepancy likely arises from several factors, including the increasing complexity of customer journeys, the fragmentation of data across different departments, and the rapidly evolving expectations of customers.” This is not the end of the story. Within these cohorts, Hale says there could also be businesses which “overestimate their understanding”, but in reality, they are “missing critical nuances”.

“A focus on short-term metrics, such as conversion rates, rather than taking a holistic view of the entire customer journey, can further contribute to this limited understanding. As a result, while businesses may feel confident in their approach, there’s still a considerable

need for deeper insights, including competitive journey comparison, and more integrated strategies to truly optimize the customer experience and drive long-term success,” he says.

We then asked network members to tell us what they do to understand journey behavior. For the second year, the most selected response was conducting regular surveys and feedback analysis (78 percent in 2024, see Figure 3). Notably, the use of customer journey analytics appears to be in decline. In 2023 this was the second most selected response (50 percent), but this year was selected by 34 percent of respondents to make it the third most selected response overall. Similar trends were

seen around social listening tools, which were employed by 45 percent of respondents in 2023, while this dropped to 34 percent in 2024.

Although it appears fewer organizations are using advanced technologies for journey management, among those who do use these tools the returns are evident. According to CX Network’s 2024 research into the Global State of CX, 67 percent of practitioners use journey orchestration tools, of which 40 percent note they have delivered a positive impact on organizational profit and 45 percent noted a positive impact on customer loyalty.

FIGURE 4

We asked survey respondents, after actioning insights, what are the next steps you take?



Gaining insights on customer interactions

In 2024, we further explored the trends around understanding journey behavior by asking how respondents gain insights on customer interactions. The results demonstrated progress in analysis of qualitative feedback, but limited quantitative insights. The majority (74 percent) said they analyze data from customer surveys and feedback forms. This was followed by conducting in-depth customer interviews and focus groups (52 percent) and utilizing customer journey analytics tools to track behavior and interactions (36 percent). Again, social media listening was one of the least selected responses (20 percent), while 16 percent said they analyze chatbot conversations for common issues and trends.

However, a gulf exists when it comes to actioning these insights, as 48 percent of respondents said they can, while 52 percent cannot. To find out about the next steps the yes cohort takes, see Figure 4.

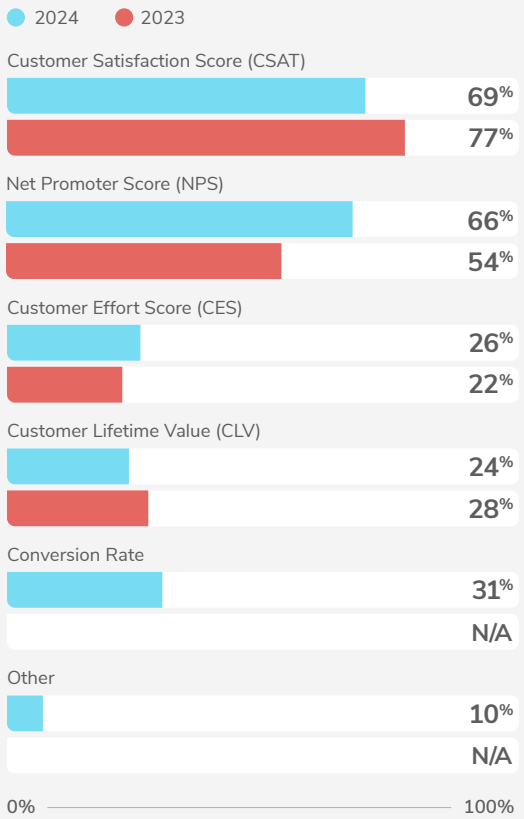
To help establish the full range of journey management challenges at present, the next question asked about the metrics used to measure the success of customer journeys. Albeit with a slightly smaller lead, Customer Satisfaction Score (CSAT) was the most selected response again this year (69 percent, down from

77 percent last year) and this was followed by Net Promoter Score (NPS, 66 percent in 2024 compared with 54 percent in 2023, see Figure 5). “Other” responses included sector-specific CX management KPIs, first call resolution, SLAs and financial metrics.

With the current state and challenges of journey management established, the next section of this report examines how respondent organizations are currently approaching their challenges and common solutions that can be adopted.



FIGURE 5
What metrics do you use to measure the success of your customer journeys?



Source: CX Network member survey on journey management success, August 2024. Respondents could select all applicable options.

Although it is already possible to draw a number of conclusions from the 2023 and 2024 survey results, progress should not be assumed. Therefore, we asked our network members how their organization’s approach to customer journey measurement and understanding has changed over the past year.

When asked to select one response, in contrast with the findings in Section One, the majority (41 percent) said they have enhanced their use of data analytics and AI tools, while 28 percent said they have increased investments in customer journey technologies (see Figure 6).

Tayach says investment in data analytics and AI tools as well as customer journey management and design tools is “critical”.

He adds: “While strengthening the CX and journey mapping practice, such platforms provide multiple advantages, and ultimately a great return on investment: from easing workshop and increasing collaboration, to providing a single source of truth to educate and align all stakeholder around a common vision.”

In addition, Tayach says the ability to link journeys together and create an aggregated view of the entire experience ecosystem allows practitioners to highlight their most common pain points as well as identify and prioritize the most impactful opportunities for

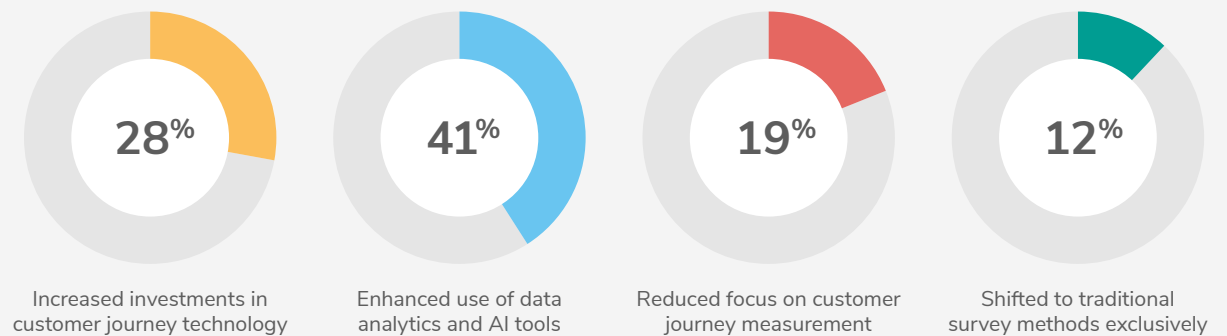
improvement. “Finally, customer journey tools that are flexible, integrated and customizable can also be enriched with information related to projects, deliveries and so on. They can be adopted by the whole organization, instead of being considered as a simple tool owned by a CX team alone,” he adds.

On how well their business compares and contrasts journeys against top competitors, 37 percent said “not very well”, while 32 percent said “fairly well”. As few as 22 percent said they understand their competitors

“very well” and a mere nine percent said there is “little understanding” of customer journey behavior (See Figure 7). Similar results were recorded in 2023. When we asked respondents how they believe their customer journey management practices compared with that of their competitors, 35 percent selected “about the same”, while 32 percent said it was “better” and 17 percent said it was “worse”. The least selected responses were “much better” (13 percent) and “much worse” (three percent).

FIGURE 6

How has your organization’s approach to customer journey measurement and understanding changed over the past year?



Source: CX Network member survey on journey management success, August 2024. Respondents could select one option.

Although it can be useful to interpret how an organization performs against its competitors, the real proof must be measurable. Therefore, we asked network members if they can benchmark their journey-related KPIs against their competitors, and those who could were then asked to explain their methods (see Figure 8). Signifying a huge gap in the market, a resounding 93 percent said they could not compare and contrast journeys against their top competitors.

Hale says this creates “several significant disadvantages”. He explains: “Without benchmarking, organizations lack a clear understanding of how their customer experience measures up in the market, making it difficult to identify areas for improvement or differentiation. This can lead to missed opportunities for optimizing customer satisfaction, retention and overall competitiveness. Additionally, without comparative data, companies may struggle to set realistic targets or to innovate effectively, potentially falling behind competitors who are more attuned to industry standards and best practices.”

To secure budget for CX initiatives, practitioners must be able to align project outcomes and KPIs with company goals – this work is even more important in a challenging economic environment. According to our Global State research, the ability to align business objectives with CX initiatives was a top-three challenge

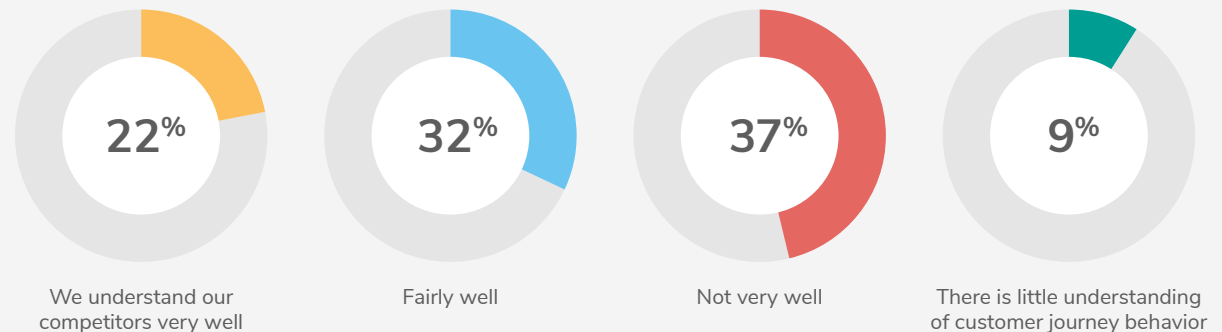
for 37 percent of respondents this year. Hale says: “When KPIs do not directly reflect company objectives, it becomes harder to demonstrate the value of customer experience efforts, reducing the likelihood of gaining executive buy-in and support for critical investments.”

Among the seven percent who said they can benchmark their KPIs, some establish their positions by working with external third parties, while others rely on competitive intelligence.



FIGURE 7

How well does your business compare and contrast journeys against your top competitors?



Source: CX Network member survey on journey management success, August 2024. Respondents could select one option.

Keeping up with the competition

Hale says: “By understanding how their customer experience stacks up, businesses can pinpoint areas where they may be falling short or excelling, allowing them to refine their strategies to better meet customer needs and gain a competitive edge. This comparison also helps organizations stay relevant by adapting to industry trends and customer expectations that their competitors might already be addressing.”

He says the most popular methods for comparing customer journeys include benchmarking specific aspects like response times and satisfaction rates against industry standards, analyzing customer feedback through reviews and surveys, mapping out detailed customer journeys to identify differences and gathering competitive intelligence on competitor strategies and customer engagement tactics. “These approaches enable organizations to make informed decisions to improve their customer journey and gain a competitive advantage,” Hale adds.

The next section of this report further explores the importance of – and methods that can support practitioners in – demonstrating ROI and explains how AI can impact a customers’ journey experience.

The next section also showcases how one major telco transformed its top-line performance through stronger visibility into journey behavior.

FIGURE 8

If you can benchmark your journey KPIs against your competitors, which methods do you use?



As outlined in Section Two, the ability to prove the financial returns on CX projects such as customer journey management is crucial.

Survey respondents employ several methods to prove the financial returns of journey management to their executive teams, with the majority (27 percent, see Figure 9) linking increased customer retention rates to revenue. Reflecting the dependence on customer surveys, 22 percent said they highlight positive customer feedback and satisfaction scores but do not link them to financial metrics, and 19 percent said they showcase cost savings achieved through improved operational efficiencies.

When calculating ROI for any CX-related project, Yvette Mihelic, CX Network Advisory Board member and director of CX at John Holland Group, says practitioners should draw on multiple traditional and non-traditional measures to establish both financial gains and savings. These can include reductions in costs to serve, and depending on the business model can also incorporate cost savings from reduced complaints or refunds, projected reductions in marketing spend due to increased customer loyalty, and reductions in employee turnover.

She says: “Be prepared to think more strategically than ever before, using multiple traditional and non-

traditional measures and thinking more broadly than just customer service or sales. Having hard numbers, inclusive of trending and validated forecasting where available, also helps.”

“AI is more rapidly surfacing data and insights that can have a profound and genuine impact on our understanding of customer journeys.”

- Rob Hollands
CEO, Proofworks

FIGURE 9

How do you prove the financial returns of journey management to your executive teams?



Source: CX Network member survey on journey management success, August 2024. Respondents could select one option.

On how practitioners can establish the specific ROI of journey management, Hale also says the most reliable method should focus on linking journey improvements directly to business outcomes.

“By connecting enhancements in the customer journey to key metrics like cost reductions, reduced churn, increased revenue, and higher customer satisfaction – for example, improved digital resolution and reduced call center volumes – practitioners can justify their investment in journey management,” Hale says.

Utilizing data-driven insights is another crucial step. Hale says that tracking metrics before and after changes allows practitioners to quantify their impact and demonstrate tangible improvements “Prioritizing high impact areas that directly contribute to revenue growth or cost savings, like shifting interactions from high-cost call centers to more efficient digital channels, further strengthens the case for ROI,” he adds.

Overall, he says the ability to create a compelling business case is essential and that practitioners should outline the expected benefits, including cost savings through reduced call center volumes, revenue growth and enhanced customer loyalty. “Including projections, real-world examples and success stories can make the argument more persuasive,” he says. Furthermore, the regular communication of results is also important.

“By continuously monitoring and reporting on the progress of journey management initiatives, CX practitioners can reinforce the value of their efforts and secure ongoing support for continued investment in customer experience enhancements,” he says.



AI as a force for change

According to CX Network’s research into the Global State of CX, one of the key investment areas for practitioners in all markets in 2024 is artificial intelligence (AI). Similar trends were reflected in

our 2024 research into journey management. When we asked in which areas respondents believe AI can make the best impact on their customers’ journey experience, the most selected response was leveraging AI-driven analytics to understand customer behaviors and inform CX strategy (76 percent, see Figure 10). This was followed by creating personalized content and offers (52 percent), recommendation engines that enable call center agents to resolve issues (33 percent) and chatbots and virtual assistants that provide instant customer support (26 percent).



On where in the customer journey AI can make the biggest impact, Rob Hollands, CEO of Proofworks – previously known as Metacask – says there are two categories into which AI opportunities and tools can be grouped: those that allow practitioners to better understand customers and those that allow them to better serve customers.

“AI is more rapidly surfacing data and insights that can have a profound and genuine impact on our understanding of customer journeys. It’s also reducing the time to adapt to, respond and optimize the experience - whether that is real-time support, assisted journeys or developing new solutions based on actionable insights.

“This is more crucial than ever before as consumers, technology and competitors are advancing at a faster rate than at any other time in history,” he adds. Proofworks is digitalizing the spirits industry supply chain, from production, maturation and bottling, to customer engagement and digital ownership, by connecting distilleries and warehouses through technologies such as NFC, RFID, QR codes and smart sensors. Looking ahead, Hollands says the company’s adoption of AI will not be limited to one area of the business – or the customers’ experience of it.

“As we look to the year ahead, we continue to explore the opportunities AI offers across all areas of our business, and look to identify genuine value for customers, be that directly or through our improved understanding of the technology,” he explains.

AI-powered journey management tools in practice

A leading US telco needed to increase conversion rates, reduce contact center costs and improve overall CX. However, it had only limited visibility into customer journeys, which caused challenges when comparing its position to that of its competitors. Furthermore, the telco lacked crosschannel insights due to disconnections between channels.

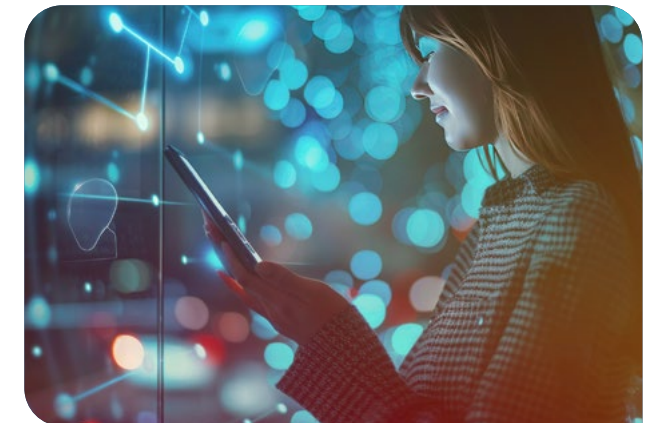
The telco knew it needed real-time visibility and insights to identify issues, and intelligent technology to be able to act on the insights to optimize the CX at scale. It turned to Alterian for AI-powered journey management and orchestration and deployed the Real-Time CX Platform. The Journey Insight tool delivered a comprehensive view of the market landscape, revealing critical insights about known and unknown competitors, and market share. For example, the telco quickly discovered it had a total market share of 22 percent and a competitor crossover of nine percent. It also discovered a further 34

companies in its vertical online journeys.

This analysis also highlighted the influence other channels, such as search engines, comparison sites and social media platforms were having on customer journeys and conversions.

Journey Orchestration empowered the telco to act on the insights it now had and deliver hyper-relevant interactions, messages and next-best actions tailored to individual customer needs in real-time.

For the first time, the business was able to identify points of friction across every journey and quickly adjust communication channels, methods and messaging to resolve them. The telco also gained insights into competitor performance and strategies, allowing it to adapt accordingly and gain a competitive advantage.



Over the first six months, the telco saw a 14 percent increase in phone upgrades, a 22 percent increase in the use of self-service tools and a US\$553,000 reduction in contact center costs. In addition, it recorded a “notable” increase in Customer Lifetime Value (LTV) and mobile upgrade offer conversions.

Customer journey experience year-on-year

As highlighted throughout this report, notable progress has been made in several areas concerning journey management, however, other elements of this critical foundation of CX, such as investment in advanced journey management tools and providing the value of customer journey success overall, have not seen the same level of progress.

Overall, Hale says cross-industry progress around customer journey management has been slow and this highlights ongoing challenges. “Organizations have refined their CX priorities, focusing more on personalization, advanced technologies and acting on feedback,” he says. “While there has been some success in understanding customer behavior, issues like cross-functional communication and tracking effectiveness remain significant.”

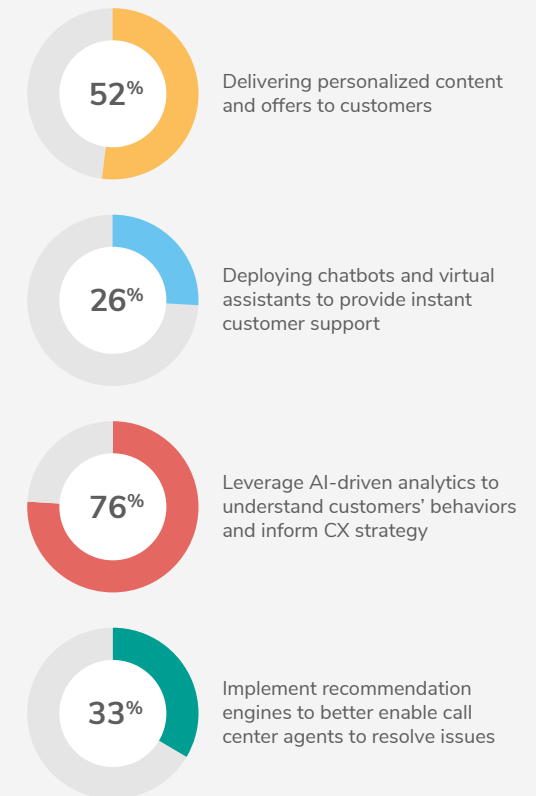
He adds: “The increased use of traditional feedback methods, such as surveys suggests potential limitations to implementing data-behavioral approaches,” he continues. Echoing this point, the research confirmed “persistent challenges” around siloed data, inconsistent customer experiences and difficulty benchmarking against competitors.

“Despite a greater emphasis on quantifying the financial impact of CX strategies, many organizations still struggle to prove ROI. While there is growing recognition of AI’s potential in enhancing customer experiences, fundamental issues like data integration and communication gaps continue to hinder progress. Achieving a competitive edge will require overcoming these obstacles and further maturing customer journey management practices,” he says.



FIGURE 10

In what area do you think AI can make the best impact on your customers’ journey experience?



Respondents could select all applicable options.

There is no doubt what success looks like for the modern organization. It includes seamless and positive CX across all touchpoints, while maintaining customer satisfaction and consistently meeting or exceeding revenue and profit targets. However, when it comes to successful customer journeys, significant barriers exist and as a result, only a small minority of nine percent believe they understand their customers' journey behavior "very well".

In part, this is because journeys themselves are more complex than ever before and data from different departments remain fragmented. As a result, a whole new set of challenges are emerging and according to

Alterian's Hale, when it comes to successful journey management, there is a "significant gap between perception and reality".

Compounding the situation, practitioners are under pressure to design journeys that align with organizational targets and deliver solid, quantifiable returns. The 2024 results confirm an uptick in investments in the data analytics and journey management tools that are essential to this work, but the benefits are yet to cascade through organizations. Instead, the research found the historic reliance on customer surveys remains and, despite the data insight and analytical capabilities that

organizations could utilize, generally speaking the majority of organizations do not. Furthermore, the struggle to prove ROI remains very real.

On the flip side, the current situation does present significant opportunities for those who wish to seize them. However, it will largely fall to practitioners to change their own fortunes and ensure senior leaders and decision makers at the highest levels of their organization truly understand that effective journey management underpins outstanding customer experiences.





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