Top Strategic Technology Trends for 2022: Total Experience

> The Gartner 2021 Digital Business Acceleration Survey found that the top two reasons for pursuing digital initiatives are to enhance customer experiences and improve employee productivity. IT leaders can achieve both of these business outcomes simultaneously by applying a total experience strategy.

Overview

Opportunities

- The 2021 Gartner CEO and Senior Business Executive Survey found that the top request of CEOs to CIOs is "digitalization." CEOs expect CIOs and their teams to frame and set an agenda for the use of technology.

- A global talent shortage creates a major obstacle to fulfilling the top priorities of CEOs: growth and a notable increase in, and focus on, technology-related and workforce areas. A total experience strategy would connect customers and employees, supported by technologies and multiple modalities.

- The top two reasons for pursuing digital initiatives are to enhance customer experience (58%) and improve employee productivity (57%), which should not be pursued in silos.

Recommendations

IT leaders responsible for CRM and customer experience strategy must:

- Strive to create effortless experiences for both customers and employees by driving an experience-driven agenda for technology investments.

- Increase both employee and customer retention by investing in multiexperience technologies to improve user experiences across channels, devices, touchpoints and interaction modalities.

- Connect and improve digital initiatives that drive customer and employee confidence, satisfaction, loyalty and advocacy. Do so by using total experience.

Strategic Planning Assumption

By 2026, 60% of large enterprises will use total experience to transform their business models to achieve world-class customer and employee advocacy levels.

What You Need to Know

This research is part of Gartner's Top Strategic Technology Trends for 2022.

Organizations are investing more in their customer experience (CX) strategies for growth. They're also focusing more on employee experience (EX) strategies to compete for scarce talent. CX and EX strategies, however, are often siloed and developed in a vacuum.

A bank ran a CX initiative to improve its digital user experience (UX) for retail banking during the pandemic. It successfully modernized its websites and added more mobile app and chatbot capabilities for customer self-service. However, it then realized that many key integrations and automations built for employee-facing applications and processes were broken, which resulted in a poorer EX. Then, the poorer UX of workers in the contact center and branches caused longer customer wait times, which led to lower CX satisfaction. To make matters worse, IT leaders didn't have the budget to fix the EX deficiencies.

That example, and others like it, make a compelling case for total experience (TX). Starting with TX identifies the digital and nondigital needs of both employees and customers. TX simultaneously addresses their respective journeys — especially the parts that intersect. This creates a superior shared experience for everyone. EX and CX initiatives should reuse the underlying technologies and compose the UX into a set of mutually beneficial multiexperience (MX) apps across devices, touchpoints and interaction modalities.

The use of TX leads to a more resilient business outcome and creates business value for both CX and EX stakeholders. TX enables IT leaders to play an essential role in connecting and enabling CX and EX strategies through UX and MX technologies (see Figure 1). This also enhances the analog aspects of experience delivery.

Figure 1: Total Experience Interlinks the CX, EX, UX and MX Disciplines

Total Experience Interlinks the CX,EX,UX, and MX Disciplines
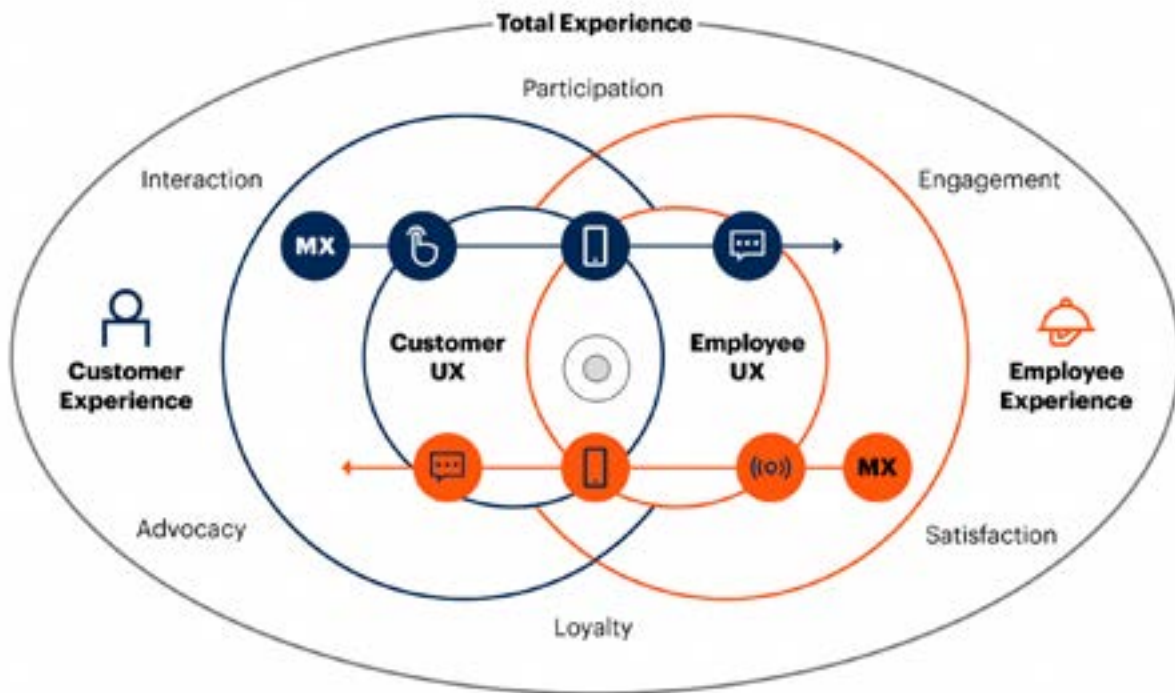
Source: Gartner
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Gartner

Profile: Total Experience

Description

TX is a business strategy for creating superior shared customer and employee experiences. TX strategy interlinks CX, EX, UX and MX disciplines. The goal is to drive greater customer and employee confidence, satisfaction, loyalty and advocacy using digital and nondigital techniques. Organizations will increase revenue and profit by achieving adaptive and resilient TX business outcomes.

TX applies composable application technologies at the intersection of customer and employee journeys. TX is enabled by design, development, automation, content, data and analytics technologies. These mutually beneficial technologies help uncover and remove effort to transform shared experiences. Executive-sponsored fusion teams apply TX by starting with business architecture to close the strategy-to-execution gap. They continuously enhance UX and MX capabilities to improve overall CX and EX outcomes Each discipline partners with, and learns from, the others. Each discipline leader is equally responsible for meeting the combined needs of customers and employees.

Why Trending

The number of Gartner client inquiries on "experience" topics grew by about 16% from September 2019 to August 2020, and from September 2020 to August 2021.

Organizations are seeking better CX and EX strategies that lead to greater confidence, satisfaction, loyalty and advocacy. As digital channels are increasingly the main vehicles for engagement, IT leaders must identify and improve UX touchpoints for customers and employees using MX technologies. TX is important now because connected customer and employee experiences are ripe for digital transformation.

Many organizations have successfully transitioned from being project-focused to product-focused. However, to be competitive today, they must transition yet again to become experience-focused.

Products are created and "exist" before being purchased and consumed. In contrast, experiences unfold when products and services are provided and consumed. A product team can define the exact configuration of a product, but can't dictate the experiential result of the interaction between users and providers of the product and service. This is where service design is an important enabler of TX.

Service design involves the planning, organization and design of a business's internal tools and processes to directly improve the product UX for employees (directly) and customers (indirectly). The term was coined in the 1980s[1], but is experiencing a renaissance as UX practitioners apply its principles to digital businesses. In the process, these practitioners extend and enhance the methods and techniques of the discipline by employing common UX practices, such as journey mapping and persona development.

Implications

Organizations that use TX to transform their business and operating models achieve comparative and competitive advantage. Canadian Blood Services, for example, transformed its business and operating models through multiple TX initiatives (see Figure 2). It:

- Addressed donor needs by providing multiple digital engagement touchpoints and improved training and communications for contact and donation center staff.

- Implemented a "one-click" rebooking process that takes into account past bookings and makes an educated appointment suggestion for donors.

- Rolled out multiple MX technologies, such as mobile apps, chatbots connected to interactive voice response, live chat with agents, and reminders and concierge services to improve the UX for donors and employees.

- Adopted a product-centric approach with owners for donors, hospitals and employees working collaboratively to improve shared experience outcomes.

- Increased the number of self-service appointments (78% in 2021, up from 8% in 2013) and drastically reduced the cost per appointment.

> We have been on a journey to digitally transform the shared experiences of our donors, hospital partners and our employees. The total experience concept exactly articulates all the elements that Canadian Blood Services brought together in executing our vision.
>
> *— Phil Loranger, Director, Digital Transformation and Innovation, Canadian Blood Services*

Canadian Blood Services' Digital Transformation Journey to TX
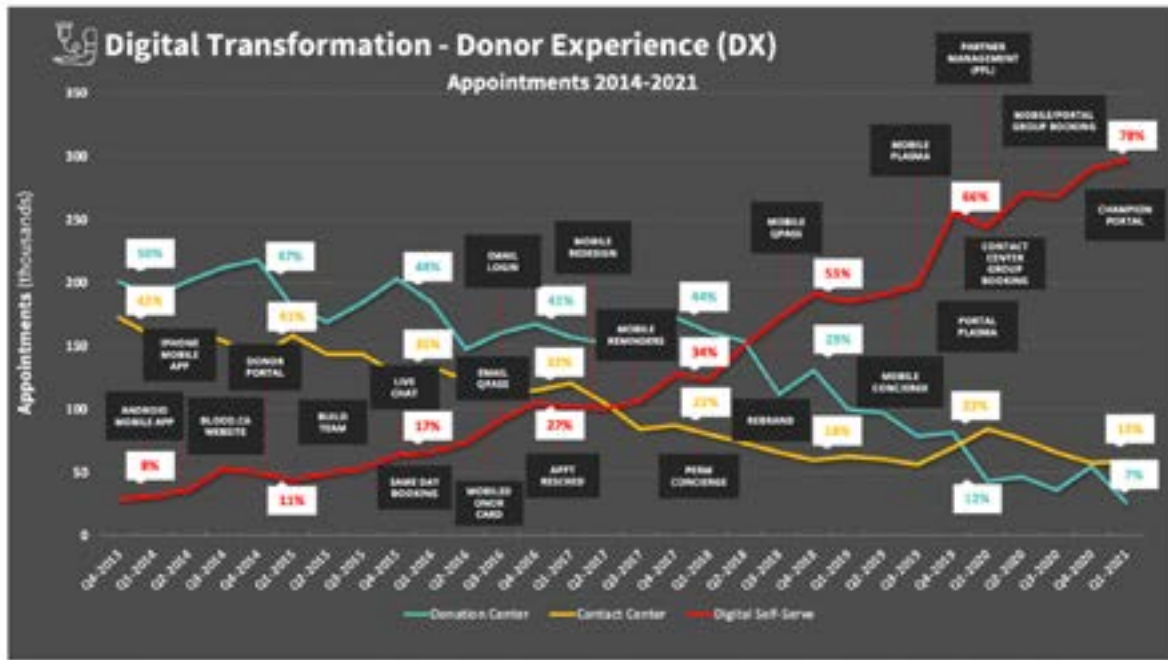
Source: Canadian Blood Services
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TX does not always have to be CX-led. It can start with improving EX. A consumer goods company decided to change the EX of its merchandising activities for its B2B accounts team. The pandemic made it unsafe for account managers to drive to multiple stores to take inventory, assess promotions and engage with store staff. The company introduced new tools for its employees and customers (i.e., the store owners and their employees) to jointly do the merchandising activities with seamless shared user experiences. The company gave promotional and loyalty incentives to its B2B customers to do this additional work. It used a TX approach to drive mutually beneficial business outcomes on EX and CX by interconnecting its UX and applying MX technologies (i.e., web, mobile and chatbots).

Actions

- Form a TX center of excellence to accelerate TX lessons by bringing together a fusion team of leaders that spans CX, EX, UX and MX.

- Encourage teams charged with improving an aspect of customer experience or employee experience to bring in experts from other experience disciplines to improve overall outcomes.

- Determine new targeted business outcomes for TX to close critical gaps in customer and employee interactions, such as using voice of the customer and employee findings.

- Implement composable application architecture that mutually improves employee and customer journeys to optimize for TX transformation, such as packaged business capabilities.

About Gartner's Top Strategic Technology Trends for 2022

This trend is one of our Top Strategic Technology Trends for 2022. The trends and technologies don't exist in isolation; they reinforce one another to accelerate growth, sculpt change and engineer trust (see Figure 3). You should explore each of these trends for their applicability to your organization.

Figure 3: Top Strategic Technology Trends for 2022: Total Experience

Top Strategic Technology Trends for 2022: Total Experience

⚊ Accelerating Growth	▯▯⇄ Sculpting Change	⟲ Engineering Trust
• Generative AI	• AI Engineering	• Cloud-Native Platforms
• Autonomic Systems	• Hyperautomation	• Privacy-Enhancing Computation
• **Total Experience**	• Decision Intelligence	• Cybersecurity Mesh
• Distributed Enterprise	• Composable Applications	• Data Fabric

Source: Gartner
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Gartner.

Evidence

2021 Gartner CEO and Senior Business Executive Survey. Gartner conducted the survey to examine the views of CEOs and senior business executives on current business issues, as well as some areas of technology agenda impact. We conducted the survey from July 2020 through December 2020, with questions about the period from 2020 to 2023. We collected one-quarter of the sample in July and August, and three-quarters in October through December.

In total, 465 actively employed CEOs and other senior executive business leaders qualified and participated. We conducted the research through 390 online surveys and 75 telephone interviews.

The sample mix by role was:

- CEOs = 287

- CFOs = 115

- COOs or other C-level executives = 29

- Chairs, presidents or board directors = 34

The sample mix by region was:

- North America = 183

- Europe = 109

- Asia/Pacific = 97

- Latin America = 56

- Middle East = 13

- South Africa = 7

The sample mix by size was:

- $50 million to less than $250 million = 46

- $250 million to less than $1 billion = 122

- $1 billion to less than $10 billion = 226

- $10 billion or more = 71

A team of Gartner analysts who examine technology-related strategic business change developed the survey collaboratively. Gartner's Research Data and Analytics team reviewed, tested and administered it. The results of this survey are representative of the respondent base and not necessarily of the business as a whole.

The 2021 Gartner Digital Business Acceleration Survey. Gartner conducted the survey to learn about organization-specific digital business acceleration actions and their link to results. We conducted the research online from 1 April to 2 May 2021 among 615 respondents from North America, EMEA and Asia/Pacific. We screened respondents for function, job category (directors and higher), and involvement in their enterprises' digital initiatives. Gartner analysts developed the study collaboratively with the Primary Research Team.

The results of this study do not represent global findings or the market as a whole, but reflect the sentiment of the respondents and companies surveyed.

[1] In January 1984, G. Lynn Shostack coined the term "service design." See Designing Services That Deliver, Harvard Business Review.