



Omdia Market Radar: AI-enabled Experience Management Platforms

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Summary

Catalyst

While most CEOs recognize the importance of delivering a positive customer experience, they are less certain about the means and what needs to be fixed. The fundamental challenge facing every company is how to remain relevant to customers and keep them coming back for more in an environment of accelerating change and rising expectations.

No business operates in a vacuum, and the ultimate judge of performance is the customer, who increasingly does not separate the product purchased from the overall experience. While a consumer may rationalize the buying decision, it is often his or her feelings and emotions that tip the scale in favor of a purchase. Common KPIs like the NPS, CSAT, and customer effort score (CES) indicate the quality of the customer experience (CX). However, they fall short of revealing the emotional drivers behind the scores and provide limited context. Informative feedback loops are required to help enterprises refine the customer experience and gain insights for product development.

For large enterprises, whether they are engaged in B2B, B2C, or B2B2C, developing effective feedback mechanisms, sometimes involving millions of daily interactions across multiple channels and journeys, is a significant challenge. This report explores nine of the more advanced enterprise feedback management platforms (EFM) for addressing this challenge. They can be described more accurately as enterprise experience management platforms (EXMs). Survey feedback is still an important sensing mechanism, but these more advanced platforms also provide insights from unsolicited feedback such as third-party reviews or through inferences based on behavioral data and applied AI. Some have evolved over many years through organic development and acquisition, while others entered the market with the explosion of interest in customer experience management, and are making inroads, especially where cost and simplicity are important factors.

Omdia view

Advanced EXM platforms are increasingly seen as vital sensing mechanisms that fulfill several critical and connected purposes.

- Help enterprises fine-tune operations and processes
- Eliminate friction for employees so that they may enhance their abilities and deliver a consistently positive customer experience
- Gain a deeper understanding of customers' expectations and feelings toward the company and its brands
- Reinforce and foster a customer-centric culture

They have evolved significantly in recent years, and when deployed as part of a strategic and holistic approach to the CX they are an essential part of the sensing armory. Most of the vendors included in this report have repositioned their platforms in the experience management space. However, there are many sensing mechanisms for gaining insights from customers and the employees who serve

them, as well as from markets. While EXM platforms are a rich source of insight, they should be considered as just one essential tool in a larger toolbox for fine-tuning the customer experience.

Customers provide digital clues. They can be sensed by the more advanced systems of engagement, especially those with embedded AI. (see *Omdia Universe: Customer Engagement Platforms 2020-21* to be published in September 2020, for a thorough analysis of CEPs) Many conversational AI startups have entered the market, providing advanced sentiment analysis and emotion detection.

Customer journey analytics is also a growing area. Some of the most advanced, like Kitewheel and Thunderhead, provide intuitive visualizations of customer journey traffic to help the chief customer officer and CX teams optimize engagement capabilities, especially where sources of friction are detected.

Employees are an essential part of the CX equation and not just their levels of engagement, but also how they get work done. Process mining techniques supported by vendors such as Celonis and Signavio generate data-driven insights into the quality of existing processes and the hidden costs of deviating from the ideal.

AI has been incorporated into all these approaches, and they are converging rapidly on the CX space, with each vendor claiming the high ground for CX management. Competition for AI and automation support in the CX arena is intense, and multiple sensing mechanisms generate insights and prompt employees and team leaders to act.

From an EXM vendor perspective, the threat of disruption has increased, which means they must strive to increase their value through innovation, faster deployment, and improved self-service, while reducing costs.

A thoughtful and well-crafted portfolio approach is optimum for enterprises, because despite claims, no single platform provides the complete picture. Enterprises need to create a highly connected environment of operational and engagement systems supported by an ecosystem of AI and automation. The systems must also synthesize all forms of sensory input so that the enterprise can anticipate and react to change. Fundamental to this aim is the management of data of all forms throughout the enterprise, structured and unstructured, from operational and transactional to interaction and behavioral data. EXM cannot do this alone. It is incumbent on the CEO and leadership teams to support such strategic initiatives, understand the sensing options available, and enhance organizational resilience and adaptability through their judicious use.

The EXM vendors included in this report will continue to provide a valuable approach to sensing and action that helps enterprises close any experience gaps and evolve their customer-centric cultures. Selecting the right vendor will depend on the criteria that are most important to each enterprise. Each vendor in this report is a worthy contender, some covering a wide array of industries while others specialize in a few. Each has a valuable role to play, and every enterprise must consider an advanced EXM platform to be an essential tool for discovering the true voice of the customer, employee, and market.

Key messages

- An EXM platform is an essential closed-loop feedback mechanism for optimizing the customer experience, not simply a platform for surveys.

- The nine EXM platform vendors evaluated in this report met or exceeded the criteria set by Omdia as necessary to support continuous CX improvement.
- Maximum business value is derived when EXM platforms are used across the enterprise to monitor the voice of the customer, employee, and market, and lead to rapid action.
- Silos destroy the CX, and end-to-end systems thinking is required behind a shared strategic purpose to harness the collaborative efforts of employees and deliver a positive CX.
- Enterprises must harness indirect as well as direct feedback to gain the insights they need to enhance the CX and inform product development.
- The Omdia heatmap provides a comparative summary across seventeen attributes and identifies five market leaders, one vertical specialist leader, and three challengers.
- Analysis of each vendor is provided in the section *Vendors on the Omdia Market Radar: AI-enabled Experience Management Platforms*.

Recommendations

Recommendations for enterprises

Any preconception that modern enterprise feedback management platforms are just a means of plugging customers with unwanted surveys is wide of the mark. In this age of big data and reviews of products and experiences on social networks, customer feelings and opinions are scattered far and wide. Picking up these indirect signals and adding them to the often unstructured data gathered through direct means is challenging. Enterprises need a mechanism for consolidating millions of signals and generating insights to drive relevant and rapid action. Each of the vendors in this report has a range of capabilities to meet this challenge. Selecting the right one will depend on such things as industry-specific support, overall functional capabilities, the level of self-service, price sensitivity, experience, and other criteria. A synopsis of each vendor platform is provided later in this report.

Recommendations for EXM vendors

The main challenge facing vendors is to marry increased sophistication and automation with simplicity of use. Omdia recommends a continued focus on AI to deliver and prioritize insights and recommendations for action; make it as easy as possible for the non-technical user to take advantage of the platform, with contextual guidance, and best practices recommendations.

Several of the large CRM/CEP vendors have recently launched voice of the customer applications embedded in their customer engagement platforms. To combat this threat, Omdia suggests deepening the integration with these CEPs so that insights and recommended actions surface in the applications that are more commonly used by the end-user, such as ERP, logistics and supply systems, CRM applications, or contact center support systems; provide a consolidated view of CX signals so that the C-suite members can see where CX is failing and appreciate the value of the EXM platform as a CX guidance system for the entire enterprise.

EXM vendors should demonstrate the advantages of a more methodical and consistent approach and deliver deeper insights and prioritized recommendations that surface in the application dashboards used by the end-user.

Defining and exploring

Definition and characteristics

There are hundreds of customer feedback applications, but of these, only around a dozen are suitable for mid-market and large enterprises with a clear and strategic objective to continuously improve the customer experience. Advanced enterprise feedback management (EFM) platforms have evolved or are morphing into experience management (EXM) platforms, which distinguishes them from ad hoc survey solutions. EXM platforms provide a means to manage and orchestrate continuous CX improvement. While they can be used for ad hoc or traditional bi-annual surveys, like many other survey applications, that is not where their true value lies.

Many enterprises have adopted survey platforms tactically, often sponsored by an individual line of business. Some may even have more than one platform in place. Without some collective focus and purpose, the value to be gained is limited, and certainly not strategic. A common misunderstanding is to see EXM platforms as little more than a mechanism for surveys and aid to analysis. If that were the case, there are scores of cheaper alternatives.

Silos destroy CX by creating barriers to the essential flow of information and insights that enable employees, irrespective of the department, to add value to the customer experience. The CX requires end-to-end systems thinking, where the enterprise as a whole harnesses its unique span of capabilities to achieve a common purpose. It is in this strategic context that advanced EXM platforms come into their own.

Key capabilities

The nine vendors included in this report were selected on the basis that they met the following minimum requirements:

- Provide a unified platform to capture, analyze, and provide automated alerts covering:
 - Voice of the customer (VoC)
 - Voice of the employee (VoE)
 - Voice of the market (VoM) for enterprise reputation capture and analysis and insights for product or services development
- A range of AI capabilities such as natural language processing (NLP) and machine learning (ML) to trigger a relevant response or remedial action
- Derive insights across all customer journeys, not just individual touchpoints
- Omnichannel capable, including mobile and SMS
- Ability to synthesize operational, interaction, and third-party market data to identify any systemic or reputational issues
- Ability to integrate with enterprise systems and provide in-application feedback

- Support KPIs linked to the enterprise' goals to track performance and the business impact of improvements or reverses in customer attitudes towards the organization
- Provide consolidated and role-based dashboards and the ability to drill down to the data
- Data security and privacy compliance
- Suitable for global CX programs evidenced by global enterprise customer examples
- Provide services to help enterprises adopt best practices and take full advantage of the platform

Business value and applications

While individual lines of business can use EXM platforms, their greatest value is when used as an essential sense-and-respond mechanism across the enterprise. *The Service Profit Chain* (Heskett, et. al, 1997) described the causal link between customer and employee satisfaction and how the former is derived from the latter and results in profitable growth. Today many HR departments use employee surveys to determine morale and levels of engagement, but with no explicit linkage to the customer experience. A strategic approach to CX would seek to uncover barriers faced by employees in delivering their best to support customers. Employees often have a visceral sense of the negative impact of poorly designed processes and systems. However, they rarely have a channel through which to promote ideas on how to remove friction or enhance the customer experience, nor do they have the power to make changes. Many organizations have a dysfunctional culture, where employees have to break the rules to meet the needs of the customer. An EXM platform brings these dysfunctions to the surface and to the attention of management.

EXM platforms can also reveal attitudes toward products and brands based on buyer feedback in online marketplaces like Amazon or Alibaba. As CX becomes a critical cross-organizational discipline, the more advanced EXM platforms provide a valuable resource for fostering outside-in thinking, whether as part of a design thinking approach to a product or for experience development.

Market landscape and participants

Market origin and dynamics

EFM platforms have been around for several decades and have undergone a renaissance, as CX has become a priority in boardrooms across the world. The impact of the COVID-19 pandemic has made CEOs in most industries painfully aware of the importance of resilience and adaptability through digital means. The pandemic caused a switch to remote rather than onsite customer interactions, making it essential to monitor the effectiveness of the remote CX. It has also highlighted the importance of systemic thinking about the organization and how it needs to sense and respond to change quickly. Continuous and systemic feedback loops that connect to customers, employees, and markets are essential for enterprises to navigate volatile conditions.

EXM vendors have positioned their platforms as a prime mechanism for creating and closing feedback loops between customers and the enterprise, but since the early 2000s, adoption has been patchy and often siloed. In part, this has been due to the prevalence of low value and often ad hoc

surveys, an over-reliance on expensive support, and inflexible systems. Add into the mix survey fatigue among consumers pressed for time and a C-suite that failed to understand the need for continuous feedback and its evident why demand for EFM plateaued.

Fast forward to the mid-2010s, when EFM vendors have significantly modernized, simplified, and infused their platforms with AI in the form of natural language processing (NLP) and machine learning (ML). Vendors have refocused their platforms on customer experience improvement and management. They recognize the correlation between employee and customer experience. They also understand the importance of market signals to evaluating the health of a brand and input to product development. As a result of this broader experience remit EXM platforms have emerged.

This has made them more useful and valuable to businesses intent on transforming their capabilities to differentiate and grow by being more in-tune with their customers and minimizing CX friction through their many online and offline journeys. The increased ease of use is reflected in the many 1000+ seat deployments in large multi-national enterprises where both business and technical users have access to insights and metrics to monitor the progress of their CX strategies and programs.

More advanced vendors have reinvented the EFM category as a platform for EXM. This covers the entire chain of experiences: customers, employees, products, and relative brand sentiment. EXM platforms harness feedback from an increasing number and variety of digital channels, from social media to chat and video communications and more.

Key trends in the EFM to EXM market

EFM vendors have shifted from serving individual departments and analysts to a more strategic focus on EXM, with both business and technical users. This coincides with the increased priority on CX and concerns for employee wellbeing brought about by the COVID-19 pandemic. The pandemic laid bare the fragility of many businesses and the need to ramp up their digital transformation efforts in the pursuit of survival first and post-pandemic growth.

While there is still a place for long-form surveys, particularly in B2B markets, pulse surveys are often limited to a single rating question. A space for comments by the consumer or employee has become more common, and advances in NLP enable interpretation of these free-form responses. The results from such surveys also surface in role-based dashboards. Alerts increasingly appear within the main enterprise applications used across the value chain or as mobile alerts for those outside the office.

The omnichannel remit has also expanded during the pandemic, especially with video and SMS communications. The leading EXM vendors have added these capabilities and also provided out-of-the-box surveying processes to monitor customer and employee sentiment and the impact of the pandemic on behavior. EXM vendors also keep track of trends and events that affect CX and constantly update their capabilities so that customers can take advantage of any enhancements or important behavioral changes.

More widespread use of AI and automation, as well as deeper integration with supply and demand-side enterprise applications, will continue apace.

Crowdsourcing for product development is another growing area which some EXM platforms already provide.

Future market developments

While the basics of feedback capture, analysis, and action have been around since the early 2000s, the major developments have been in the field of mobile app development, AI, and big data ingestion and analysis. We can expect AI developments to continue apace with advanced features, including sentiment analysis based on facial expression recognition (subject to privacy laws), particularly where video and augmented reality apps become more commonly used after 5G has been rolled out.

Convergence and increased competition

The more advanced customer engagement platforms partially serve the need for greater empathy and a deeper understanding of the individual customer's context. By the mid to late 2020s, the leading CEPs will provide dynamic orchestration, which is an even greater real-time insight into customer sentiment and context to trigger the most relevant response at any stage and across all customer journeys. This presents a potential threat to EXM vendors unless they can embed their platforms within the leading CEPs. This is already happening with Qualtrics, which was acquired by SAP. Microsoft launched Dynamics 365 Customer Voice in July 2020, its second attempt to embed VoC in its applications (it retired its first attempt). Other major CEP vendors like Oracle and Salesforce already provide some VoC capabilities to enrich customer profiles, and these efforts are going to accelerate, supported by more pervasive intelligence and automation.

However, EXM platform capabilities will continue to play a vital role in providing greater depth of analysis of sentiment trends and customer emotions, and a unified view across multiple touchpoints and customer journeys.

As discussed earlier, another threat comes from customer journey analytics specialists who provide insights around interaction traffic and can identify sources of friction. While they do not determine the sentiment that drives customer journey choices, from a process development perspective, they are an essential aid to customer journey design.

To counter these threats, EXM vendors must bring their know-how to strategic partnerships with CEP vendors and consider acquiring CJA and conversational AI vendors while they are relatively small.

Vendors on the Omdia Market Radar: AI-enabled experience management platforms

On the Radar: SANDSIV, sandsiv+

Omdia view

SANDSIV is a substantial market challenger. Relatively young and small in comparison with the market leaders, it punches well above its weight, as evidenced by a growing roster of recognized brands. To join the market leaders, SANDSIV must expand its footprint in the Americas and APAC regions.

SANDSIV's genesis started with the premise that improving the CX leads to enhanced business performance. It has impressive data science credentials and maintains an agile and innovative

platform, while its approach of “we'll integrate anything” helps clients reduce the cost of implementation while maximizing benefits.

A range of fast implementation modes, professional services, and agile development drive rapid returns. Its education for businesses in the best practices of business strategy, operational management, and improvements introduce proven methodologies such as the Toyota Production System and Lean Manufacturing to teach companies how to embed a customer-centric culture.

Key messages

- SANDSIV offers a responsive, agile platform, implementation services, and capabilities to drive CX and EX improvements.
- SANDSIV provides rapid implementation and a relatively low cost of ownership due to the flexibility of the platform, installation, and support services.
- SANDSIV offers a broad set of deployment options, including the client's preferred cloud, SANDSIV's servers, or on-premise.
- sandsiv+ is designed with self-service options, and clients can manage processes and capabilities without the cost of a managed service.

Recommendations for enterprises

Why put sandsiv+ on your radar?

SANDSIV takes pride in its responsiveness and adaptability. Its agile platform and consulting approach enable rapid returns on investment. The sandsiv+ platform will appeal to enterprises seeking a self-managed solution they can adapt to their needs. SANDSIV solicits feedback on the platform and services and implements client requests and suggestions. Product updates are released to all clients when ready, with as many as eight releases a day because the solution is deployed in containers orchestrated by Kubernetes

SANDSIV services focus on building business improvement capabilities and skills through education and workshops.

Highlights

Background

SANDSIV was founded in 2010 by Federico Cesconi and Frank Warnsing. SANDSIV positions itself as a customer experience management (CXM) solution provider. It is based in Zurich, Switzerland, with subsidiaries in London and Kiev.

Current position

SANDSIV's platform and services are based on Cesconi's framework of capture, analyze, integrate, improve operational efficiency, and measure impact.

Capture

sandsiv+ captures direct (surveys and websites), indirect (social listening), and inferred (client sources, such as interaction data contained in CRM systems).

Analyze

sandsiv+ is AI-driven, using machine learning and natural language processing. The solution integrates data sources and exports data to a client's system of choice, such as a customer service or CRM system. Categorization of topics and sentiment does not rely on keyword searches. Instead, the platform generates categories from unstructured data regardless of language or spelling errors. SANDSIV currently supports 264 languages and dialects.

Some customers will never share their impressions with businesses, so SANDSIV's AI models predict the satisfaction levels and intent of these customers by comparing known data with the sentiment of others with similar behavioral characteristics and profiles.

Integrate

By pulling all VoC data into a central repository with customer account information and call center statistics, the platform can deliver the right information to the right people at the right time. For example:

- Initiating agent lead resolutions
- Identifying systemic pain points, topics, and drivers of negative sentiment
- Identifying strengths and CX differentiators

The platform stratifies data to present information by role (including division and geography), define escalation and support routes for additional support, and protect customer or employee data in line with EU data protection laws.

Improve

While the platform can create and present insights, clients need the skills and strategies to turn insight into valuable action. Professional services go beyond platform training to education on how to use insights and take action to improve the CX, and clients enhance their skills and capabilities for continuous improvement.

Measure

The platform shows the results of change with A/B testing, presents results in real-time, and generates tailored dashboards.

SANDSIV's "we'll integrate anything" approach applies to capabilities such as Google's Voice to Text app, CRM platforms, social media, and client source data.

The rapid, self-service installation gives clients control over the platform and benefits delivery. sandsiv+ installs on any cloud environment required by the client, in containers (Kubernetes), on SANDSIV servers (Switzerland), and on-premise.

Implementation support includes project and technical experts, project preparation, and sign off, set up of the solution, user training, configurations, integration, and user acceptance testing.

Post-implementation, SANDSIV offers workshops and business consulting services to refresh product knowledge, helping clients transform analytics into results. SANDSIV uses partners to provide managed services and offers data science project support.

Voice of the employee

SANDSIV offers VoE functionality to improve the EX to encourage employee participation in the delivery of the CX objectives. SANDSIV uses the same analytics and survey styles – pulse and long form – and the same dashboards to drive insights and actions. It also draws employees into the resolution of transactional and systemic customer issues.

Notable clients

A1 Group, AXA, Bosch Service, Cembra, Ernst & Young (EY), Emirates Airline, Groupe Mutuel, Lufthansa, MTN Group, Posteitaliane, Prenatal, Roche, Swiss, UnipolSai, Vodafone

The future

SANDSIV is moving toward a customer intelligence solution that will analyze and visualize unstructured data. Working with the University of Zurich, it is building a digital transformation dashboard to show the progress of transformation and its impact on clients.

New technology will focus on mobile, taking feedback and gaining insights directly from the phones of end-customers to the phones of SANDSIV clients.

Data sheet

Key facts

Table 1: Data sheet: SANDSIV

Product name	sandsiv+	Product classification	Experience management
Version number	10.18.0	Release date	13.09.2020
Industries covered	Banking, entertainment, telecoms, healthcare, hospitality, insurance, leisure, media, retail, transport, and utilities	Geographies covered	All: focus on Europe, Africa, and the Middle East
Relevant company sizes	Mid to large enterprise	Licensing options	SaaS, cloud, and on-premise
URL	https://sandsiv.com/	Routes to market	Direct
Company headquarters	Zurich, Switzerland	Number of employees	50

Source: Omdia

Appendix

Further reading

The Gravitational Laws of Customer Experience, INT001-000190 (June 2020)

The Path to Intelligent Customer Engagement Is Through Conversational AI, INT001-000186 (April 2020)

Look Beyond Account-Based Marketing to Revitalize the B2B Growth Engine, INT001-000181 (March 2020)

2020 Trends to Watch: Customer Engagement Platforms, INT001-000166 (December 2019)

The Service Profit Chain, (Heskett, et. al, 1997)

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