

Rethink Customer Experience for a Disrupted World With the CX CORE Model: A Gartner Trend Insight Report

Published 16 November 2021 - ID G00755118 - 15 min read

By Analyst(s): Don Scheibenreif, Marcus Blosch

Initiatives: [CRM Strategy and Customer Experience](#); [Applications and Software Engineering Leaders](#); [CIO Leadership of Innovation, Disruptive Trends and Emerging Practices](#); [CSCO Strategic Leadership](#); [Customer Acquisition and Retention](#); [Digital and Self-Service Customer Service](#); [Enterprise Applications for Technical Professionals](#); [Manufacturing Digital Transformation and Innovation](#); [Service and Support Customer Experience \(CX\) and VOC](#); [Service and Support Strategy and Leadership](#); [Software Engineering Technologies](#)

Customer engagement technologies have delivered automation at scale but missed helping organizations build holistic relationships. In this report, we offer a different approach: architecting experiences with empathy for lasting customer relationships to drive growth in a disrupted world.

Overview

Opportunities and Challenges

- The global pandemic and related disruptions have shifted customer relationships and exposed the shortcomings of the “Customer Management Industrial Complex.”
- To meet the demands of disrupted customer relationships and fulfill the original promise of customer engagement technologies, a fresh approach to understanding how to create and manage relationships is needed.
- A new end-to-end approach to business operations is needed to serve customers and drive growth in times of continuous uncertainty.

What You Need to Know

IT and business leaders supporting customer experience (CX) should:

- Challenge the Customer Management Industrial Complex by introducing the CX CORE model to their peers and executive team, leading with customer-facing business capabilities first and technology architecture second.
- Rearchitect their CX vision and approach to relationships by using the outside-in design element inherent in CX CORE.
- Drive CX innovation with coordinated experiences by updating internal process design to meet customers at a specific stage in the relationship.

Strategic Planning Assumption(s)

By 2025, organizations in the top 10% of the Global Empathy Index score for their industry will see a 10% increase in customer loyalty.

Through 2025, 50% of large organizations will have failed to unify engagement channels, resulting in a disjointed and siloed CX that lacks context.

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

Insight From the Experts

It's Time to Break Out of the Customer Management Industrial Complex

How do we add customer empathy back into processes and approaches that confuse operational efficiency with customer centricity?

Most organizations lack deep customer empathy. It is something they haven't appreciated in the past until world events in 2020-2021 forced them to look at things differently. Sadly, many organizations providing products and services were often unresponsive to the changes required during the pandemic or simply not aware of the need for changes. Customers, both B2B and B2C, want more understanding and flexibility from those with whom they do business, as these disruptions now look to be permanent.

Unfortunately, many organizations were and still are unable to respond to their customers' needs. That's because most are trapped in what we call the Customer Management Industrial Complex, a persistent network of platform definitions, technology providers, service providers and customer end-user organizations involved in the management of customer relationships. The Customer Management Industrial Complex prescribes operational efficiency in functional silos under the guise of customer centricity and prioritizes short-term profits over long-term customer relationships.

We are now faced with an "empathy vacuum" — the void created by the engineered insincerity of the Customer Management Industrial Complex.

How do we break out from this?

We need a fresh approach to customer engagement that balances technology architecture and business architecture. But, also, one that balances customer empathy with the very real short-term financial goals of organizations. Achieving this balance will not be easy. It requires the entire organization to work together and achieve a level of customer centricity they are likely not used to. A common language and common model is needed to engage all the different functions that are involved in customer engagement and to show how interdependent they are.

We call this approach CX "Customers, Organization, Relationships, Experience" (CORE). It will help you architect for experience in order to build lasting and valuable relationships that can flex with ever-present disruptions affecting customers, like the global pandemic. We offer a chance to refocus and put the customer in the center of your organization and focus on customers and their experiences. A key way you can drive growth in a disrupted world.

Kind regards,

Don Scheibenreif and Marcus Blosch

Executive Overview

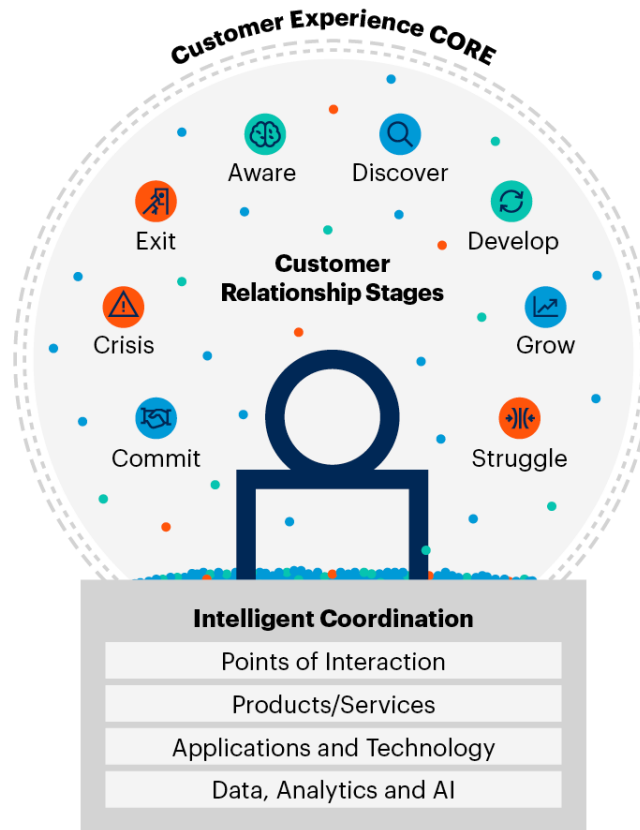
Definition

Gartner's CORE model is designed to help organizations architect experiences for lasting and valuable customer relationships (see Figure 1). It is a model that will act as an organizing principle for whatever role-based or functional technologies, people and processes you may use to manage your customer relationships.

In this research, we present a model to do what CRM and other customer engagement technologies were meant to do before they got subsumed by their overhead and complexity: develop customer empathy and make the customer the starting point for creating business architecture.

Figure 1: Architecting Experience for Lasting Customer Relationships: Gartner's CX CORE Model

Architecting Experience for Lasting Customer Relationships



Source: Gartner
754246_C

Gartner

With this approach, we offer an opportunity to step back from the Customer Management Industrial Complex and focus on what matters: customer relationships. Bringing attention back onto the customer will force you to reunderstand relationships, experiences, and service and product design.

This research collection covers practices in seven areas:

- Applications and software engineering
- Consumer products
- CRM

- Data and analytics
- Digital experience platforms
- Enterprise architecture
- Technology product marketers

Embracing and implementing the principles behind CX CORE will take the involvement of every function that touches customers. This report will highlight several key roles and how CX CORE will impact their approach. Leaders who support customer experience should use this research to rethink their organization's CX approach and drive much-needed growth in a disrupted world

Future research on CX CORE will include impacts to customer service, customer experience, supply chain, marketing, IT and others.

Research Highlights

Application and Software Engineering Leaders Supporting CX

Application and software engineering leaders are often under pressure to deliver innovative solutions for their business partners. Achieving resilient application innovation requires going further to understand those factors from a customer's and an employee's perspective. This is particularly important right now, given the impact of the COVID-19 pandemic on customer and employee expectations for better digital experiences.

The CX CORE model provides a common language for customer engagement across an organization. CX CORE is about designing with the customer at the center and being aware of the stage of the relationship customers are in with your organization. This is then followed by a series of intelligently coordinated actions — both automated and those provided by a person — that maintains a customer at a stage in the relationship or moves the customer to a different stage.

The CX CORE model's focus on improved customer relationships will require that application innovation be applied to the development of new capabilities. Application innovation should be targeted at delivering intelligent coordination capabilities. These capabilities coordinate the activities of all resources involved in affecting a customer experience. This requires more than automated or even artificial intelligence (AI)-driven orchestration because it involves employees directly or indirectly.

Related Research

[Break Out of the Customer Management Industrial Complex With Gartner's CX CORE Model](#)

This research defines the CX CORE model and provides an example of how it might work. It is written for application leaders, but can serve as a reference note for all roles that touch customer experience.

[Drive Application Innovation Using CX CORE With Total Experience](#)

Application and software engineering leaders innovate to compete not only on great customer experience but increasingly for great employee experience. Apply our CX CORE and total experience models to drive application innovations for exponentially superior shared experiences.

CRM

CRM technologies that organizations have purchased have siloed automated CRM processes, such as sales, customer service, marketing and digital commerce. They have failed to create connected, contextual and effortless customer journeys. IT has been delivering different CRM applications across different business units (such as sales, marketing, customer service and digital commerce). These applications then automate the processes only within these silos. However, customer experience journeys span multiple CRM applications. Processes such as “campaign to order” can span marketing, sales and order management systems. Processes such as “issue to resolution” can span web self-service, call center, case management and billing systems.

This is also why IT spends so much time and money on integration and process automation technologies. IT needs to work with multiple organizations to help deliver the customer’s desired outcome in an effortless manner. The CX CORE model will enable all organizations to determine which employees, policies and processes are needed to deliver the experience. It will also enable them to work with IT to determine which systems need to be integrated together to support the customer’s desired outcome in an effortless manner.

At its heart, CX CORE creates a common language to focus all of the organizations involved with the customer and their experience stage. It enables organizations to discuss the dependencies and capabilities required from all organizations, and not just the IT applications or technology. Additionally, amid persistent demands for organizations to do more with their customer experiences, CX CORE can also provide guidance as to what projects to not do, an important complement to ever-growing CX to-do lists.

Related Research

[Enable Great Customer Experiences Using Gartner’s Customer Experience CORE Model](#)

Application leaders must ensure that CRM technologies and business stakeholders work together to deliver great customer experiences. Application leaders responsible for CRM applications can use Gartner’s customer experience CORE model to help build lasting customer relationships grounded in empathy.

Data and Analytics

The CX CORE model relies on real-time contextual data to sense the stage and context in the customer relationship and the company operations to enable the orchestration of improved experiences at the right time without “creepiness.” AI technology can be a primary orchestrator. This is also where metrics will be captured. Together, data, analytics and AI embed smarter decision making across CORE at each stage of the life cycle.

Data and analytics play a key role in the operation of the CX CORE model by helping the organization understand and define the high points and low points in a customer journey in order to determine which moments in a customer journey are the most emotionally charged. CX analytics, including customer journey analytics (CJA) and voice of the customer (VoC) can be used at key stages in the customer journey to uncover customer sentiment. The CX CORE model provides a way for D&A leaders to bring enhanced value to the business through these unique insights and analytics tools. D&A leaders will play a critical role in bringing the approach to life.

Related Research

[Quick Answer: How Can D&A Leaders Use CX Analytics to Build Empathy Across the Customer Journey?](#)

The global pandemic has increased customers’ expectations for more empathy in experiences. Customer journey analytics has progressed but cannot build empathy on its own. D&A leaders must build a context-led approach across the customer journey leveraging voice of the customer and emotion AI detection.

Digital Experience Platform

Siloed digital experiences have become a point of friction, with many organizations asking themselves: “How do we unify all these disjointed experiences into a seamless and frictionless customer experience?”

The more digital technology you use, the more attention you should place on unifying the experience through a composable UX. A composable UX should be modular and specific to your various constituents, yet provide connective tissue to bridge the digital experience gaps. Employees, partners, citizens, students, consumers, suppliers and other types of constituents are struggling with the current state of CX across digital channels. They suffer from cumbersome, disconnected processes and having to deal with companies that don't seem to know who they are, resulting in time wasted on irrelevant experiences. At the core of this is the lack of a composable UX that is not only specific to their personas and roles, but also to the stage at which they find themselves in their relationship with the business.

Digital experience platforms (DXPs) have a horizontal role from the perspective of orchestrating and providing the UX. They can act as the customer-facing (and business-user-facing) presentation orchestrator and UX layer across multiple underlying packaged business capabilities (PBCs). To be composable, the UX and any associated business must follow the core principles of composable design (modularity, autonomy, orchestration, discovery). The composable UX also provides low-code or no-code composition of the underlying capabilities into coherent and business-managed dynamic digital experiences.

Related Research

[Drive Seamless Digital Customer Experiences With Composable UX](#)

Most organizations struggle to deliver seamless digital experiences across the touchpoints of the customer journey. IT leaders in charge of customer experience should implement a composable UX aligned with specific personas.

Enterprise Architecture

The customer experience, and the relationship with the customer, comes from the interaction with the enterprise through the service and/or products. The service bridges the customer and the enterprise, so well-designed services are essential to the customer experience and relationship. How can we design services? In Gartner's experience, a simple process based on design thinking is the most practical approach. Simply put, we focus on the customers, observe them in context to understand their behaviors and motivations so we can find out what they really need. Once we know that, it is possible to use the design thinking approach to create a service that they will value. This design process is central to the CX model, and it brings more customer empathy to the process of managing lasting relationships.

Enterprise architects contribute to customer-centric service in four ways. They:

- Provide design expertise through familiarity with the design process and the use of models and deliverables to help support the design process (for example, customer journey maps, service blueprints)
- Offer insight into how technology can be used to create new services and experiences — and they are familiar with new emerging technologies
- Provide the bridge to the operating model that will be needed to support the services — ensuring that the service can be supported and any potential issues are identified and resolved early on
- Are active and engaged members of the service design fusion team
- Emphasize a culture of customer centricity by placing the customer at the center of technology decisions

Related Research

[A Simple Way to Design Services With the CX CORE Model](#)

FCRM was supposed to help organizations build holistic relationships, but has failed to deliver on its promise, and customers want more empathy. Enterprise architects can use this research to help their organizations think differently: architecting experiences with empathy for lasting customer relationships.

Product Marketers

B2B technology marketers must account for the fact that prospects, who then become customers, are constantly moving between different stages of a relationship with you, such as committing, growing and struggling. Even if they are customers, they essentially become buyers again when it comes time to renew or expand. The standard CX toolkit is not wrong — but, it must evolve by leveraging real-time data that reflects the dynamic nature of your customers.

Tech marketing leaders — especially those who own CX — must rethink the design and execution of messaging, campaigns and experiences by migrating to a dynamic system.

The CX CORE model can help organize your thinking and help you consider these changes to your existing CX approach:

- Tap into customer feedback through real-time behavioral data — including product and usage analytics, content consumption, and interactions with sales/service/success teams — and reserve customer surveys to validate hypotheses.
- Incorporate failure points (such as struggle and crisis) into your customer journey design, and intentionally address not just forward — but backward — movement.
- Evolve your customer personas by starting with customer interviews and then augmenting with data as customers profile themselves in communities and on social media.

Related Research

[How the CX CORE Model Impacts Product Marketers](#)

The global pandemic shifted customer relationships. Customer engagement technologies have delivered automation at scale but missed helping organizations build holistic relationships. Product marketers must understand prospects' and customers' situations to design experiences that demonstrate empathy.

Sales (B2B)

The shift to buyer centric purchasing is permanent. Many B2B customers prefer to do the majority of their buying process without speaking to sales. Sellers can no longer expect to drive sales with an inside-out, internal data-driven approach and grow revenue for their organization. Gartner's CX CORE model — an outside-in, buyer-centric approach — can be easily adapted for B2B. Application leaders working with commercial leaders must define and understand the relationship phases. They can begin by identifying buyer personas and mapping their journeys at any stage of a relationship. Marketing may also have a relationship model or customer maturity model, but these will not capture the nuances of the relationship stage.

This buyer-centric shift is taking hold not just for transactional B2B business but also with complex sales processes. For example, the introduction of digital sales rooms (DSRs) is just one signpost of the technology being developed and deployed to help with this shift. Technologies like conversation intelligence, engagement analytics and augmented reality (AR)/virtual reality (VR) can be used to provide insight to sellers and facilitate buyer experiences that result in a superior shared experience.

Related Research

[Architect a Better B2B Sales Experience With Gartner's Customer Experience CORE Model](#)

A new digital selling era has emerged due to continuous uncertainty to support buyers along their dynamic purchasing journeys. Application leaders supporting CRM sales must adopt the CX CORE model to design an empathy-led, B2C-like customer experience that yields strong lifetime value.

Consumer Goods Industry

Consumer goods (CG) manufacturers are evolving their business models to establish more direct relationships with consumers. In comparison, retailers have a tremendous advantage when it comes to consumer behaviors and spending. The solution is to begin engaging with consumers with direct-to-consumer, personalized products, digital plus product experience, as well as non-fungible tokens (NFTs).

However, it is not enough to throw technology at a consumer. To be successful, a CG manufacturer needs to define dynamic personas. These personas should be developed from multiple fact-based evidence, but with the ability to factor in the human element — empathy. What would drive this persona? What would make them become raving fans or, the opposite — leave the relationship?

Defining persona trigger points allows CG manufacturers to identify what is most important to the consumer and what would push consumers to a negative stage of the relationship (i.e., conflict, struggle, exit). More importantly, a CG manufacturer needs to understand what would move a consumer persona from a negative stage to the neutral (i.e., discover, aware) or raving (i.e., grow, commit) fan stages.

Related Research

[Consumer Goods Trends: Customer Engagement](#)

CIOs wanting to prepare and scale for the future can use this presentation Toolkit to propel conversations in the art of the possible: personalized products, customer engagement, and direct to consumer.

Gartner Associates Supporting This Trend



Don Scheibenreif



Gene Alvarez



Marcus Blosch



Kyle Davis



Melissa Davis



Irina Guseva



Melissa Hilbert



Maria Marino



Michael McCune



Kathy Ross



Tad Travis



Jason Wong

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

[Infographic: Customer Experience Management Framework](#)

[Three Bold Strategies for Customer Experience Victory](#)

[Quick Answer: How Do We Motivate Our Organization to Embrace Customer Experience?](#)

[Use Gartner's New Definition of Customer Experience Management to Align to CX Scope and Goals](#)

© 2021 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. and its affiliates. This publication may not be reproduced or distributed in any form without Gartner's prior written permission. It consists of the opinions of Gartner's research organization, which should not be construed as statements of fact. While the information contained in this publication has been obtained from sources believed to be reliable, Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information. Although Gartner research may address legal and financial issues, Gartner does not provide legal or investment advice and its research should not be construed or used as such. Your access and use of this publication are governed by [Gartner's Usage Policy](#). Gartner prides itself on its reputation for independence and objectivity. Its research is produced independently by its research organization without input or influence from any third party. For further information, see "[Guiding Principles on Independence and Objectivity](#)."