

# Four Reasons Why CX Is Suffering in 2022

*And Five Things You Can Do About It*

# Chances are you've heard about or had a bad experience with a company lately.

People are increasingly frustrated with companies, and the people on the front lines bear the brunt of this dissatisfaction. Making this problem more difficult to comprehend is how many companies have invested heavily in improving their online and remote experiences. But they seem to have missed something.

According to the [Salesforce State of Marketing report](#), 84% of people say the customer experience is equally vital to the product or service provided. Perhaps it's more important to understand that one-third of all customers will walk away from a brand they love after just one bad experience, and 76% have switched to a competitor after one bad experience.

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of customers have switched to a competitor after one bad experience.

Meanwhile, [PWC](#) found that 65% of US customers see a positive experience as more influential than great advertising. Still, more than half of consumers feel brands fail to meet their experience standards.

[Forrester's 2022 Customer Experience Benchmark Study](#) revealed that customer experience (CX) quality in 2022 dropped to pre-pandemic levels following impressive gains made by firms in 2021. And the percentage of companies delivering a "good" experience dropped three percentage points to just 22%, while those providing a "poor" experience increased.

**So why are so many people dissatisfied with their experiences?**



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# 1

## HUGE CHANGES IN FRONTLINE TEAMS

The Great Resignation hit support teams, CX teams, and service workers the hardest. They're the folks on the front lines, and the ones who remain on staff are training new folks while trying to keep customers happy.

Front-line jobs are where many people begin a new career. Consequently, this is their first step on the corporate ladder. So, when opportunities were abundant, many opted for something new.

This has caused problems throughout the economy, as witnessed by supply-chain shortages due to a lack of truck drivers and dock workers. Because semiconductor companies shut down production during the pandemic, they also find it challenging to staff up as they try to ramp up again. This affects the availability of new cars, consumer electronics, and more.

The shortage of front-line workers also means that there are just a few with experience, and the rest of the still understaffed fresh team members lack experience. Additionally, those with experience must train the new team members while handling all the problematic

cases. This means that you have a combination of tired and emotionally exhausted people paired with a group of inexperienced and often frustrated people on the front lines.

Additionally, many front-line workers, especially those laid off during the pandemic, found new work that pays better and often allows them to work from home. The shortage of people who are willing to work on the front lines in restaurants and retail environments means longer lines and longer waits for customers who are losing patience.

This results in lower customer satisfaction, poorer customer experiences, and decreased general happiness. There are few, if any, signs that things will return to the way they were, so this might be a time of correction while we adapt to a new world of CX.





# 2

## CUSTOMERS ARE STRUGGLING WITH CHANGES

A [2021 Gallup poll](#) found that people around the world are sadder, more worried, and more stressed out than during the pandemic. Fewer people reported having positive experiences, too. The [Gallup Positive Experience Index](#) dropped for the first time since 2017.

This drop in positive experiences often leads to people being less optimistic; they become more protective and guarded of their time and money. Most people do not respond well to changes in plans or routines. Even though most people are “returning to normal,” when the lines are longer than a person expected, they fear running late for their next appointment. These customers get frustrated, and the poor person trying to help them often catches their ire.

The additional wait times lead to people multitasking more during lines. Consequently, when they get to the front of the line, they pay more attention to their phone than to the person trying to serve them. This results in further frustration and additional wait times as miscommunication results in orders needing to be redone.

Since there are little to no social ramifications of unloading on a service person, many people vent every frustration on one poor soul. Even if the customer is the one to blame. According to [the BBC](#), [the Institute of Customer Service](#) says that more than half of all customer-facing employees have reported increases in abuse since 2020.

According to [Forrester analyst Pete Jacques](#), “Some companies are reaching the point where they’re just having a hard time keeping up with these customers’ changing expectations.” He adds, “Customers who might have been more forgiving earlier in the pandemic are also likely running out of patience.”





# 3

## SKIMPFLATION AND SHRINKFLATION MAKE INFLATION UNTRUSTWORTHY

The reason inflation is actually worse than reported is that companies have resorted to offering less for the same price to keep profits higher. If you've bought a box of cereal in the past few weeks, you might have noticed that the front looked the same, but from the side, it was almost half as wide.

This is called Shrinkflation. Its cousin, Skimpflation (according to [NPR](#)), is more about skimping on the goods and services provided. You'll find this in hotels that no longer offer housekeeping service for guests staying just a couple of nights. Initially, businesses attributed this deterioration in services to the pandemic, but the condition persists.

Companies count on consumer inertia—not by maximizing loyalty but by minimizing defections. They just have to avoid angering the customer so much that the customer switches. Unfortunately, this behavior affects both customers and employees—with both just waiting for something to push them over the top.

Both [skimpflation and shrinkflation](#) are forms of inflation. Even though the price hasn't increased, consumers get less for their money.

Some economists believe the government fails to properly account for these forms of inflation when calculating official statistics.

In some cases, companies reduce their offering while increasing the prices and blame inflation. In other cases, the companies are blaming inflation while turning record profits.

All of these lead to a breach of trust. Even in good times, people tend to distrust large corporations, and when those companies act in ways that make people question the value or honesty of the product or service, trust and sales evaporate. According to Salesforce Research, 54% of customers say it's harder than ever for companies to earn their trust. So, while inflation may truly increase costs, most consumers won't believe it, and many won't buy it.





# 4

## REDUCED CAPACITY EQUALS INCREASED DISCOMFORT

Right now, everybody wants to travel. It's understandable—after all, we've been cooped up to some degree for two years. But now airports are crowded, flights are packed, and those flights that are not packed are canceled and grounded. The people working for the airports and airlines are burned out from covering shifts for colleagues who were laid off or left.

While the travel industry might be experiencing this the most, you can also feel it at the local coffee shop and restaurants. Many eateries have open tables but still have long waits because they do not have the staff to handle capacity. If you've ever worked for a restaurant, you know how hard it is to stretch to cover an extra two or three tables. Unfortunately, the most vocal complainers have never had to do that, and so they don't understand.

Delivery drivers are in short supply and high demand, and shopping online is higher than ever. Consequently, deliveries are often delayed or misdelivered, while drivers are asked to do more in the same amount of time. And when customers try to find where their package is, they have to navigate a maze of answer bots, online chat, and phone systems to get to a person. On average, they are transferred three times before finding a resolution.

[Gallup reports](#) when customers are disengaged and don't believe your company delivers on promises, business outcomes decline by 19% on average. A [separate poll](#) claims that only one-third of employees strongly agree that their company would never lie to customers or conceal information that is relevant to them."

It's no wonder that according to a survey from Arizona State University, customer service is worse than ever, and so is customer rage. This is true across the board in all industries. The Great Resignation has led to great customer dissatisfaction, which is why the [American Customer Satisfaction Index](#) has dropped to the lowest point in 20 years.





# 5

## FIVE INEXPENSIVE WAYS TO ELEVATE YOUR CUSTOMER EXPERIENCE

So, what can a company do to elevate their customer experiences?

### 1. LISTEN TO AND CARE FOR YOUR EMPLOYEES

Take care of the people who are caring for your customers. Make sure they feel seen, heard, and valued. Running employee pulse surveys is a quick and easy way. Then close the loop and let people know you understand how hard it is. When possible, join them for calls once a week. Not only will you get to hear from customers directly, but your people will also know you care and truly understand.

**TO LEARN MORE, READ:**

[Stay Connected with Employee Connection Pulse Survey](#)

### 2. BE PROACTIVE WITH YOUR PEOPLE

Solicit feedback. One hospital surveyed its nursing staff weekly during the pandemic to address any burnout before it went too far. When customers are on edge, the natural inclination is to avoid them and the people dealing with them at all costs, but this will only make things worse. Instead, reach out and ask. Listen to better understand, not to provide an excuse or explanation. Allowing an employee to vent will buy you a lot of credibility and trust, plus provide an outlet for pent-up frustrations.

**TO LEARN MORE, READ:**

[Employee Engagement—How to Field Anonymous Surveys by Department](#)

### 3. CELEBRATE THEM

Believe it or not, pizza will not cure all the ills of being on the front lines today. But when everybody rallies around the teams dealing with customers, they feel recognized and appreciated. Teamwork and recognition are essential when you're short-staffed. Ask people to submit employee names for the superhero of the month. Pizza can be a vital spirit-lifter in dark times.

**TO LEARN MORE, READ:**

[Six Ideas to Increase Employee Engagement, Retention and Motivation](#)







#### 4. HELP SALES HELP SUPPORT

When salespeople can better engage with their customers, they can help alleviate stress on customer support. Have your sales teams reach out to their key accounts and offer to help. It will build a stronger relationship between your account management team and your clients, which will lead to renewals and growth. Don't make support carry all of the burden.

TO LEARN MORE, READ:

[8 Ways Sales and Customer Service Can Actually Work Together](#)

#### 5. INCREASE TRANSPARENCY

This works for employees and customers. The more front-line employees know about things that affect their customers, the more they can smooth things out. The more customers understand about the challenges facing your company, the more they can get on your side. When people don't know or understand what's going on, they create their own narrative, which rarely works in your favor. As advertising legend Bill Bernbach once said, "A small admission gains a large acceptance." Admitting you have challenges isn't a sign of weakness; it's a sign that you're trying to do right by your customers.

TO LEARN MORE, READ:

[Transparency in the Workplace: Why It Matters and How to Practice It](#)

Learn more at [Alchemer.com](https://www.alchemer.com).

## THE BEST TIME TO DIFFERENTIATE ON CARING

With customer service and customer satisfaction so low, this is the perfect time to show that you care. It will not only help you keep customers but also employees. It doesn't take much at this point in time to differentiate your organization. While others are using technology to avoid talking to customers, you can use it to enable your people to speak with customers and solve problems.

The secret is to automate behind the scenes. Take feedback and route it to the right people instantly so they can connect with customers. Using the power of automation behind the scenes, you free up people to be better in front of the customer.

For example, a customer at one company left a negative NPS score with a comment about their problem on a Friday afternoon. The results were routed to a VP, who found the right people to fix the problem. By the time the customer returned to work on Monday, the problem was not only solved, but the team emailed the customer to close the loop. The customer replied that he didn't think anybody even read NPS survey results, let alone act on them.

Ultimately, the Great Resignation and the Great Customer Resignation might come and go or be here to stay. All we can do right now is to keep the customers and people we have while trying to find others. Just remember it costs 5 to 25 times as much to land a new customer as to keep an existing one. Investing in your people is actually the least expensive way to keep your customers happy.