

REPORT

2025 State of customer experience management

Too much data, not enough action



Table of contents

- 3** Methodology
- 4** AskNicely's approach
- 5** Email and CSAT lead proactive feedback collection
- 8** Response and action are overestimated
- 11** There's room to improve feedback assessment
- 14** Employee performance is measured with feedback
- 17** Business growth and exceptional customer experience go hand-in-hand

Methodology

AskNicely partnered with Centiment to survey more than 3,000 potential respondents worldwide. Respondents were asked about their approach to customer experience management and feedback collection and use.

For this report, we focused solely on solicited feedback. The following report was created using the insights drawn from the data of those respondents who answered the survey in its entirety.

Respondents hold the title of VP, director, or higher across the following industries:



automotive services



financial services



wellness + beauty



personal care



healthcare



insurance



professional services



home services



retail banking + lending



software/SaaS



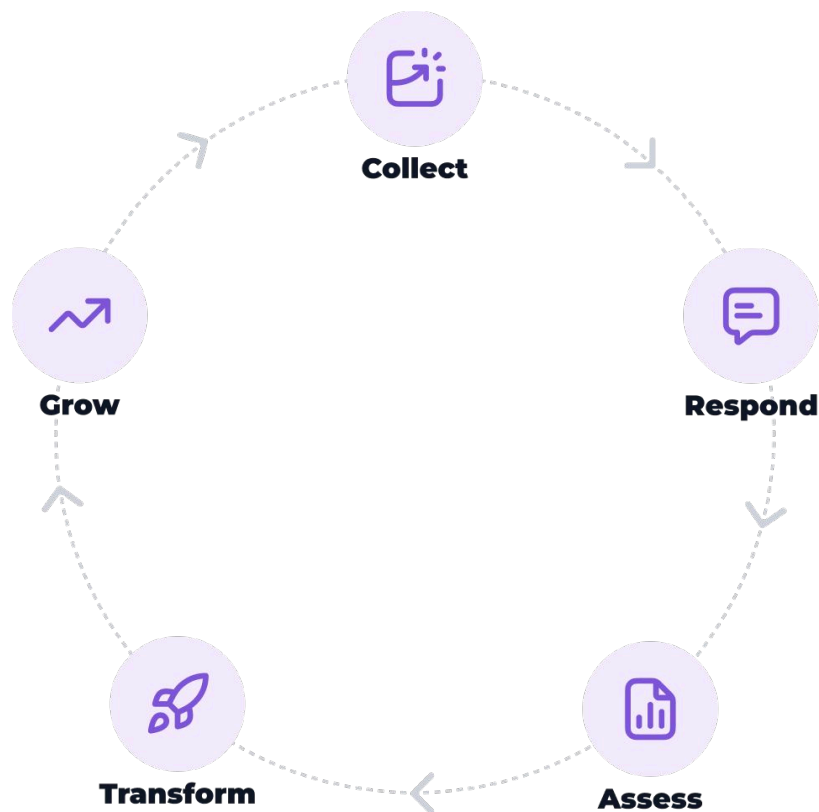
real estate



transportation + logistics

AskNicely's approach

To sort through the data we're using the earned growth flywheel that operates on the premise that the first step to better customer experience management is to collect feedback, followed by responding to it and assessing it, which then leads to transformation and growth. We've sorted the findings from our survey into those parts of the flywheel to help display where leaders across industries are currently within that flywheel and the implications it could have on their business.



Unsolicited feedback typically comes from the happiest or most unhappy customers. Ideally, this unsolicited feedback never comes as a surprise or reveals anything you didn't already know about the customer experience you're providing. Then you can use both types of feedback to improve the experience. For the purpose of this report, we only asked respondents about solicited feedback.

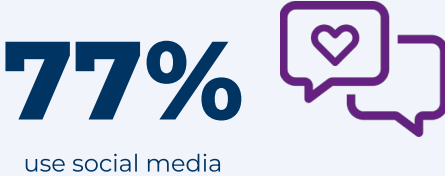
Email and CSAT lead proactive feedback collection

Certain channels and metrics are clearly favored across industries.

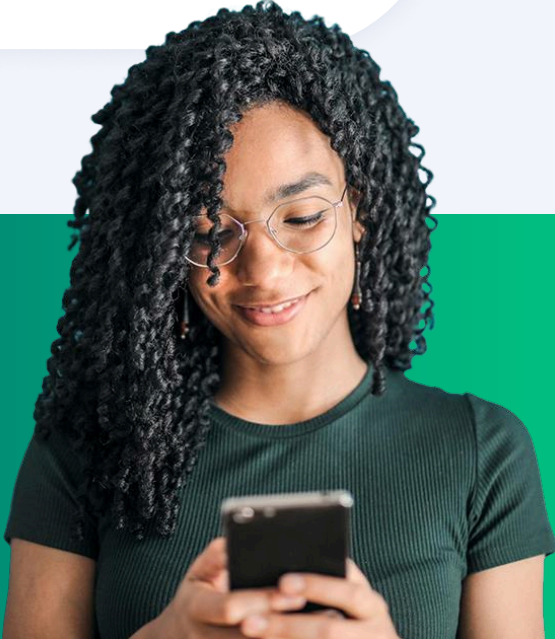
An integral part of understanding how business leaders are using customer feedback is to first grasp what feedback they're collecting and how they're collecting it.

Through this survey, we discovered that 86% of respondents across all industries collect customer feedback via email, and 77% of respondents reported using social media to collect feedback.

SMS surveys were the second least popular with only 62% of respondents using it for their surveys. This usage is surprising given that SMS surveys have a response rate of 10% to 15% while email surveys have a response rate of 7% to 9%, according to [Textedly](#).



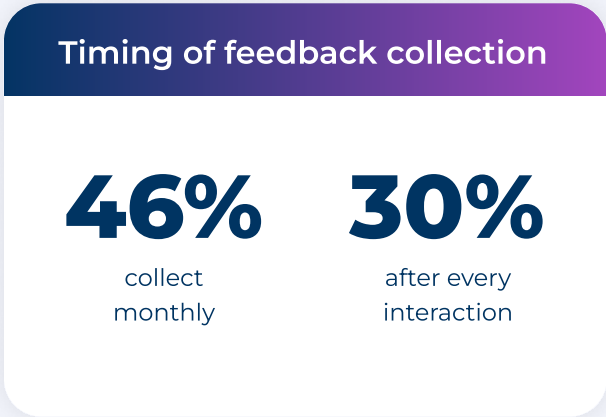
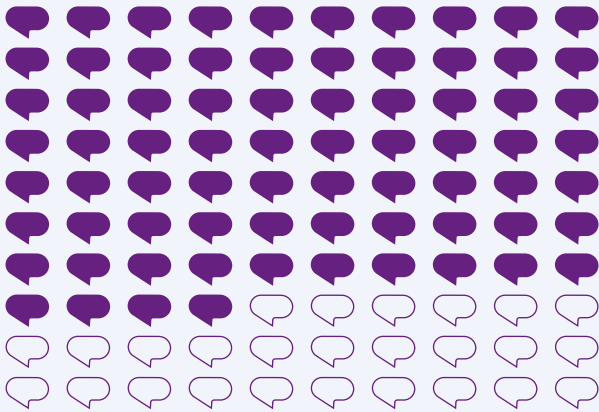
Automotive services are the exception to favoring email, instead, social media was the most common channel for feedback collection. Eighty-six percent of respondents in that industry reported that they use it.



When conducting their customer feedback collection, 84% of respondents say they measure customer satisfaction score (CSAT). This makes CSAT by far the most popular metric across industries.

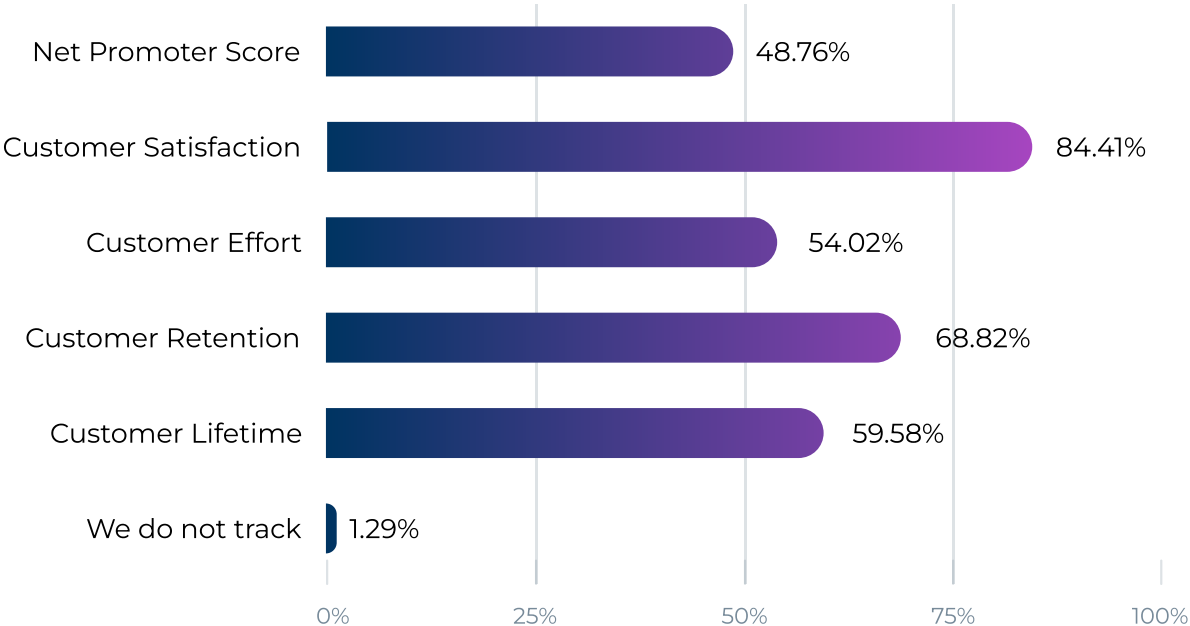
In terms of timing, 46% of respondents say they collect feedback monthly, while 30% say they collect it after every interaction with a customer.

84% measure customer satisfaction



What types of customer experience metrics do you track?

(Select all that apply)



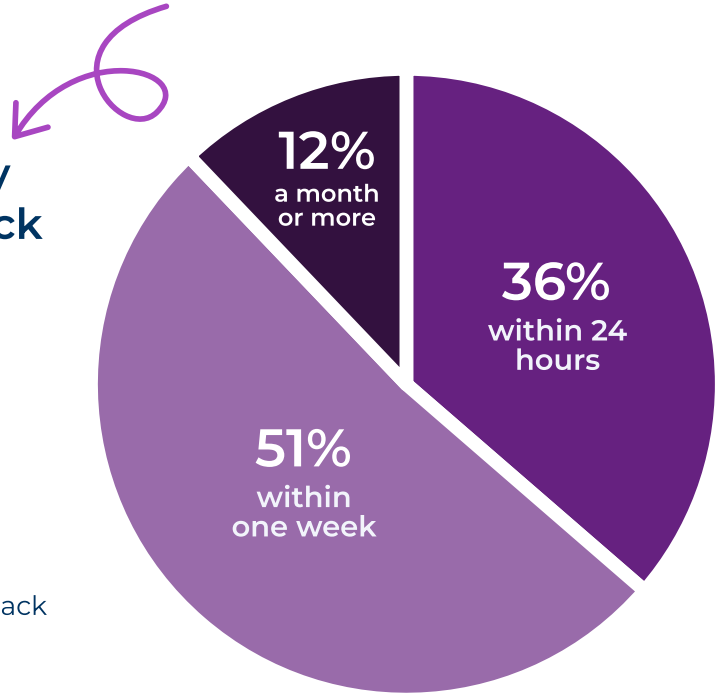
Customers want action, brands aren't delivering

Leaders *think* they're acting on feedback, the numbers show otherwise.

Data shows that leaders believe they're acting on the feedback they receive, but after digging in, their responses suggest otherwise.

96% of respondents say they act on the feedback they receive, but:

- 36% of respondents say they act on feedback within 24 hours
- 51% of respondents say they act on feedback within one week
- 12% of respondents say they wait a month or more to respond to feedback



63%

fail to meet expectations



The majority of customers expect their feedback to be acknowledged within 24 hours. This means that 63% of respondents are already failing to meet expectations before they even interact with their customers.



Forty-one percent of respondents in the financial services industry, and 38% of respondents in the healthcare and home services industries reported responding to feedback within 24 hours, the highest of all industries surveyed. While only 24% of respondents in the insurance industry reported responding to feedback in the same timeframe.

Beyond response time, businesses might be also failing to take any meaningful action when it comes to the feedback they ask their customers to provide.

When asked how they act on the feedback they receive, 72% of respondents reported that they share feedback with relevant departments.

Only 58% report providing their employees with training based on customer feedback, and only 64% said they use feedback to inform strategic business decisions. That means a whopping 46% of companies are leaving valuable opportunities untapped. Without incorporating feedback into the strategy behind business decisions, business leaders can easily misplace their focus.



There's room to improve feedback assessment

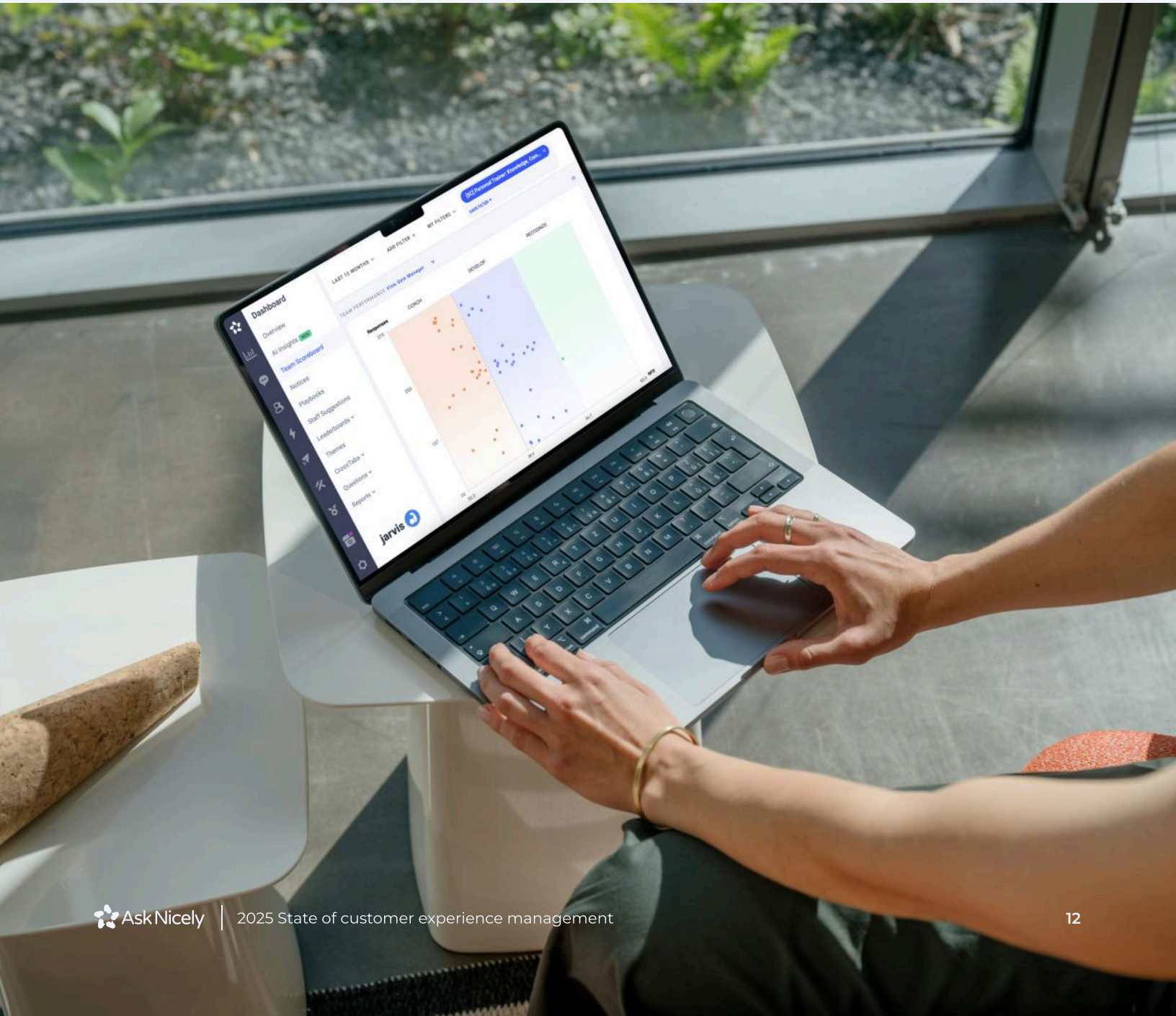
Most leaders are missing real-time analysis.

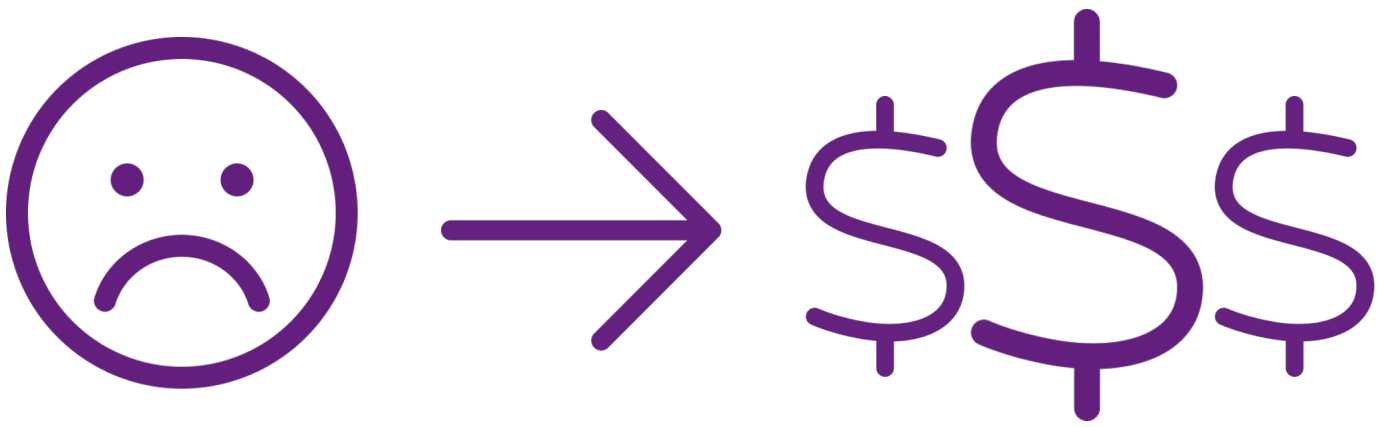
Only 15% of respondents say they have a fully integrated real-time feedback analysis system that can help inform strategic decisions. Respondents with access to this type of analysis are able to make quick decisions based on timely feedback which can have huge implications for business success.



22%

The percent of respondents who said they have limited insights and review survey insights manually

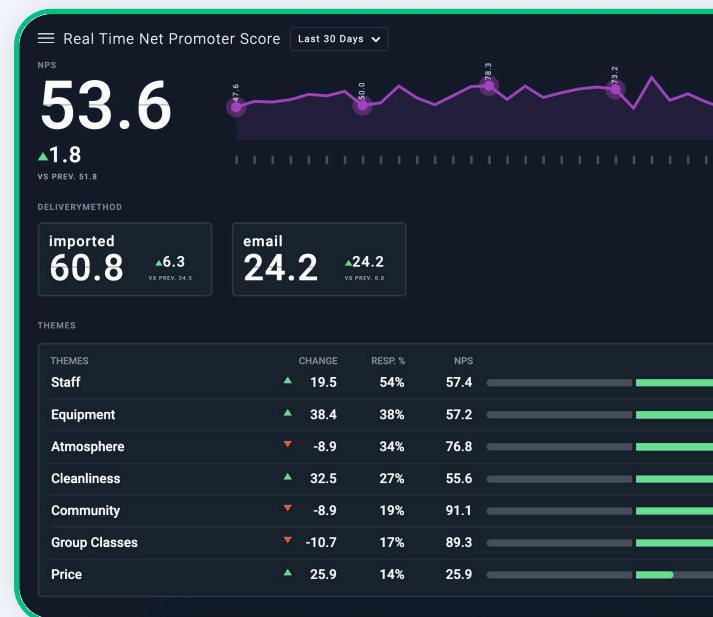




How Century Fire Protection turned negative feedback into a massive deal

Century Fire Protection, a leading full-service fire protection business, was able to turn negative feedback into a \$1.2 million deal thanks to real-time feedback analysis. They survey using Net Promoter Score and have automated workflows to help them with quick analysis.

When a customer gave them a score of one out of 10, the team was immediately notified and acted quickly to analyze the situation and improve it. Working with the customer they were able to address concerns, resolve issues, and build a relationship that involved further projects. Effectively turning a \$500,000 deal with an unhappy customer into a \$1.2 million deal with a happy one.



→ [Read the full case study with Century Fire Protection.](#)

Employee performance is measured with feedback

Feedback can help spur action to transform, too.

An overwhelming majority, 95%, of respondents reported using feedback to track and improve employee performance.

How do they use it to improve performance?

% of respondents



Sixty-six percent of respondents say they give their employees real-time access to customer feedback.

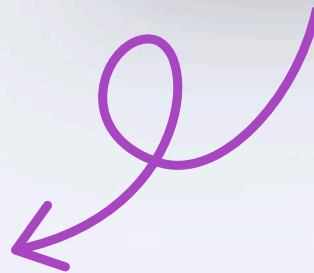
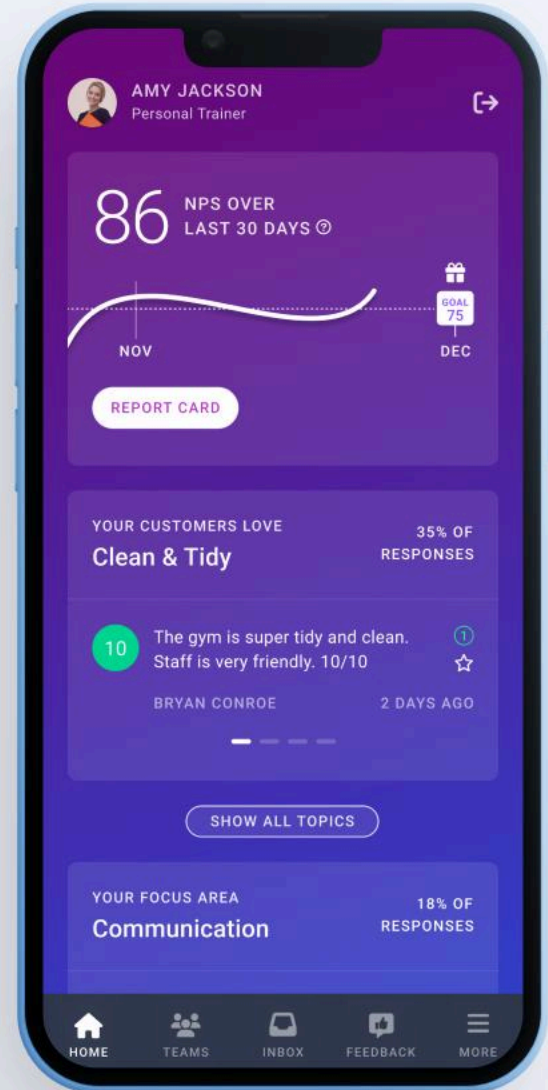
That's 10% lower than the percentage of respondents who use feedback in performance reviews. This means some respondents expect employees to act on feedback for reaching goals and improving performance but don't provide real-time access to that

feedback for them to use in a timely or relevant manner. They're essentially measuring employee performance against information the employees don't have access to and setting them up to fail.

At AskNicely we believe that your feedback is most powerful when it's in the hands of those interacting with customers regularly. That's why our product makes it easy to provide your team with scorecards and leaderboards to spark healthy competition, highlight the biggest areas for opportunity, and celebrate excellence. Doing so raises the bar for teams across the business and leads to better experiences for the customer.

There's power in praising your employees for a job well done. When you consistently recognize positive behavior you empower other employees to make similar efforts to create change in the customer experience. Plus, you give them an example of what to strive for.

Pro tip: Using feedback for recognition programs to create a better employee experience leads to a better customer experience as well, according to research from the [Massachusetts Institute of Technology](#). Prioritizing recognizing employees and empowering them with information to better perform their jobs can go a long way in terms of your business's customer experience and ultimately growth.



Exceptional customer experience and business growth go hand-in-hand

You can't have one
without the other.

Respondents were fairly unified in the belief that there is a direct link between customer experience measurements and business growth objectives (92%).

Of all the metrics 78% said that CSAT was most closely tied to business growth, while 56% said customer lifetime value, 52% said customer effort score, and 45% said NPS. This indicates that customer satisfaction truly sits at the heart of growth.

When taken as a whole, respondents report that improvements to the customer experience impact business growth with an increase in customer retention (72%), higher customer lifetime value (69%), and improved customer acquisition (68%). And they primarily measure this return on investment in customer experience initiatives by higher customer acquisition (77%), increased revenue (76%), and reduced churn (35%).



60%

The percent of respondents who said they struggle to effectively link CX measurements to business growth objectives due to data integration.





AskNicely's goal is to help businesses empower their customer-facing team with the information to improve the customer experience and drive business growth. We believe in giving teams access to feedback and praising them for a job well done.



If you're interested in learning more about how AskNicely could help your business improve the customer experience, [schedule a demo](#).



Use our [customer experience ROI calculator](#) to see how increasing your NPS or CSAT score could drive growth for your business.



[Follow us on LinkedIn](#) for the latest news and updates from AskNicely.

