2022 State of Frontline Report

What top service businesses do to empower their frontline teams, and deliver world-class customer experience.
The 2022 State of Frontline Study

At AskNicely we help service businesses empower their frontline teams, make every customer experience awesome and accelerate business growth.

On this mission of ours, we've had the opportunity to work alongside thousands of people-powered businesses, all with varying levels of customer experience maturity. We’ve seen the good, the bad, the ugly, and everything in between.

Based on this knowledge, we’ve formed a pretty clear hypothesis: service businesses who invest in their frontline teams experience higher levels of customer satisfaction, retention and profit.

To put our hypothesis to the test, we partnered with the innovative research and strategic advisory firm, Metrigy. Founded by Robin Gareiss and Irwin Lazar, both renowned technology analysts and content developers, Metrigy focuses on some of the most interesting technologies including unified communications and collaboration, CX and contact centers, artificial intelligence, analytics and more.
About the study

The State of Frontline Study was completed in January 2022, and involved over 200 service businesses across the United States, United Kingdom, Canada, Australia and Germany.

Of the participating companies, 36% had less than 4000 employees, 31% had between 700 and 4000 employees and 33% had less than 700 employees.

This first-of-its-kind report identifies four key areas where companies can invest in empowering their frontline teams to significantly increase ROI from their customer experience (CX) investments.

The survey is unique in that no other study has been conducted at this level to tie investments in frontline workers to improvements in business outcomes, and specifically to the highest-priority initiatives for service businesses. Frontline and Customer Experience leaders can leverage the results to identify and justify customer experience and frontline enablement initiatives that will help them significantly improve revenue, customer satisfaction, and employee efficiency.

The industries of the participating companies included:

- Healthcare
- High Tech
- Financial Services
- Retail
- Education
- Manufacturing
- Professional Services
- Logistics & Transportation
- Distribution
- Automotive
- Government
- Energy & Utilities
- Advertising, Marketing, Entertainment
- Construction, Real Estate
- Travel, Hospitality
- Not-for-Profit
- Agriculture, Forest, Fishing, Hunting
- Aerospace & Defense
Let’s talk priorities

We asked participating service businesses about their key priorities for 2022 and beyond. The results showed that customer experience sits at the top of the leaderboard, with improving employee efficiency and increasing revenue as second and third. As the effects of the pandemic wind down, the desire for speed and growth wind up, which the top three priorities for service business leaders reflect.

One way that this commitment to customer experience has manifested is through the emergence of the Chief Customer Officer. What may have once been seen as an unclear or uncommon role, is now the new normal for service brands serious about winning on experience. 68.4% of respondents said they either already have a Chief Customer Officer in place or plan to add one in the next few years.

Customer experience is complex, and improving it takes a holistic, systematic approach. Hence, responses from the study show that improving processes, frontline worker training, purchasing and deploying new technology, and filling critical roles are all top priority investments to keep customers grinning and coming back for more.

Top priorities for 2022

Customer Service/Experience: 70%
Improve Employee Efficiency: 55.4%
Increase Revenue: 49.8%
Cut Costs: 43.2%
Gain Competitive Advantage: 38.2%
Digital Transformation Initiatives: 37.1%

Chief Customer Officer becoming the norm

Already have one: 48.4%
Planning for 2022: 15.3%
No plans: 12.6%
Unsure: 8.4%
Evaluating: 7.9%
Planning for 2023+: 7.4%

Top customer experience investments

Improving Processes: 32.7%
Frontline worker training: 26.1%
Purchasing/Deploying new tech: 24.6%
Filling critical roles/hiring: 14.7%
Other: 8.4%
Four focus areas that drive the highest business impact

We asked about the impact frontline enablement and customer experience investments had on:
- Revenue Growth
- Customer Experience Improvement
- Employee Efficiency Improvement
- Cost Decreases

And graded companies against AskNicely’s existing customer experience maturity model.

Four focus areas stood out as driving the highest business impact:
1. Defining and publishing your service standard
2. Tracking, sharing, and acting on feedback
3. Empowering and rewarding frontline employees
4. Personalizing coaching to increase training effectiveness

Let’s talk impact

Mastering all four areas drives success

- Employee Efficiency
- Customer Satisfaction Improvement
- Revenue Increase

Let’s talk impact

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>No Mastery</th>
<th>Mastery One to Two</th>
<th>Mastery Three to Four</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher impact on revenue</td>
<td>64%</td>
<td>133%</td>
<td>60%</td>
</tr>
<tr>
<td>Higher impact on customer satisfaction</td>
<td>15%</td>
<td>17%</td>
<td>16%</td>
</tr>
<tr>
<td>Higher impact on employee efficiency</td>
<td>20%</td>
<td>22%</td>
<td>18%</td>
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Higher impact on revenue
Higher impact on customer satisfaction
Higher impact on employee efficiency
1. Defining and publishing your service standard

Based on the study results, companies that display service standard mastery, that is, companies who define, publish and coach on consistent standards of service outperform their competitors. While the majority of companies in the study had defined consistent service standards, over half had not made those standards visible to staff, and only 17.7% had made those standards visible to staff AND customers.

How can we expect frontline teams to deliver out-of-this-world customer experiences if they don’t have a consistent and clear target to work towards? We can’t.

This seemingly simple, yet underrated-act is proven to set companies up for success in the remaining three areas.
2. Tracking, sharing, and acting on feedback

Shockingly, only 53.5% of companies surveyed collect feedback regularly, and 22.1% of service businesses don’t collect feedback at all. This leaves a substantial blindspot for a large swathe of companies who rely on positive customer sentiment to grow.

When it comes to the type of feedback collected, only 16.3% meet the Customer Experience Maturity Model’s definition of mastery – tracking ratings at the team and individual level, in real time.
Why is this important? We found that feedback mastery provides a substantial increase in the impact of customer experience investments.

Specifically, 41% greater revenue improvement, 68% greater employee efficiency improvement, and a massive 105% greater customer satisfaction improvement.

Feedback mastery increases the impact of customer experience investments

- Revenue improvement: Lowest mastery 13.7%, Highest mastery 19.4%, +41%
- Employee efficiency improvement: Lowest mastery 17.9%, Highest mastery 30.1%, +68%
- Customer satisfaction improvement: Lowest mastery 13.9%, Highest mastery 28.5%, +105%
Here at AskNicely, we’ve always stood by the belief that happy frontline workers = happy customers. To test this, we polled business leaders on the factors that impact customer experience the most. As it turns out, many business leaders of top service brands agree that awesome customer experiences can’t exist without an empowered frontline team. What really stands out is that roughly two thirds of the customer experience is impacted by things directly delivered by the frontline: in particular support, service delivery, and purchase experience.

Unsurprisingly then, we found companies that had a Frontline Satisfaction Program in place saw incredible results compared to those that didn’t. Perhaps most tellingly, companies with strong employee satisfaction programs in place boast a 73% greater improvement in customer satisfaction.

### The biggest impacts on customer experience

- **Support Experience**: 27.8%
- **Product Offering / Availability**: 21.5%
- **Delivery Experience**: 20%
- **Purchase Experience**: 16.6%
- **Price**: 14.1%

### Frontline satisfaction programs increase the impact of Customer Experience investments

- **Revenue improvement**: No program 12.6%, Has program 15.8%, +25%
- **Employee efficiency improvement**: No program 14.7%, Has program 24.2%, +64%
- **Customer satisfaction improvement**: No program 11.5%, Has program 20%, +73%
Despite this, only **54.6%** had a functioning Frontline Worker Satisfaction Program in place. This is something AskNicely is hoping will change over 2022 as more companies recognize the value of better serving this underserved workforce.

**Frontline worker experience has a lot of room to improve**

Companies with frontline worker satisfaction programs

- **Yes**
- **No / unsure**

How companies reward their frontline teams for good performance

- **28.2%** Free-Stylin’
- **23.0%** Ad-Hoc & analytical
- **19.6%** Playbooks for the team
- **13.9%** Managing from the boardroom
- **12%** Empowered individuals
4. Personalizing coaching to increase training effectiveness

Think about the world’s greatest athletes. None of them would have reached their mind-boggling achievements without personalized coaching. Coaching unlocks potential, and it’s no different when it comes to frontline employees.

When you consider the top reasons frontline teams aren’t more empowered today, it makes sense that companies are investing in training. With such an outsized impact on customer experience, an empowered frontline can be the difference between an average experience, and a totally awesome one, which has the customer coming back for more and referring their friends, family and colleagues.

Lack of Training is the top reason frontline workers aren’t empowered

Reasons why frontline workers aren’t empowered

- Lack of training: 36.8%
- No way to track problems and resolutions: 32.1%
- Concerned workers give too much away: 31.1%
- Lack of trust: 26.4%
- Poor leadership: 23.6%
- Other: 6.6%

Companies aren’t doing enough to reinforce training

- Leave coaching to discretion of frontline manager / unsure: 19.2%
- Incorporating coaching into periodic performance reviews: 15.8%
- Regular discussion of company-level focus areas: 16.7%
- Regular discussion of team-level focus areas: 23.9%
- Personalized coaching for each worker: 24.4%
However, the days of one-size-fits-all training programs and annual performance reviews are over. Effective training is about reinforcing service standards over time, in a way that is personalized to the needs of each person being trained.

Less than 25% of companies that we surveyed are providing regular, personalized training on an individual basis. This is not surprising, as traditional feedback and management systems make it difficult and time consuming to address every team member regularly.

Yet once again, we can see that companies that do master the art of personalized, timely coaching are reaping the benefits, with a 30% greater increase in revenue improvement.
Where to from here?

While we can see improvements in the customer experience space more broadly, service brands across the globe are missing out on BIG opportunities due to a lack of investment in the frontline.

The results from the report are crystal clear: when businesses are able to master the four areas of Customer Experience Maturity, they significantly outperform their competitors. However, many businesses are simply unable to make these improvements without better technology solutions in place that support a best-practice approach.

Mastering these four areas often requires significant business change, which means making a strong business case. To help you along that journey, AskNicely offers free benchmarking, where you can map your business alongside the results of this study, and suggest next steps to get the biggest impact for your efforts.

Get your free benchmarking report.

Request now
Metrigy is an innovative research firm focusing on the rapidly changing areas of Unified Communications & Collaboration (UCC)/digital workplace, and Customer Experience (CX)/contact center—along with several related technologies.

Metrigy delivers strategic guidance and informative content, backed by primary research metrics and analysis, for technology providers and enterprise organizations.

Founded in 2014, AskNicely is the Frontline Success platform pioneer, connecting the dots between employee experience, customer experience, and revenue growth for service businesses.

The industry-leading mobile technology platform delivers personalized coaching and motivation for frontline workers powered by real-time customer feedback.

AskNicely services over 1,400 companies worldwide and has offices in the United States, New Zealand, and the Netherlands. For more information, visit www.asknicely.com.