

CX EXECUTIVE LANDSCAPE & SALARY REPORT - 2019 EDITION



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Introduction

The State of CX Executives

Do you know in which sector of the economy do most customer experience professionals work? What percentage of customer experience (CX) positions in the U.S. are C-Suite level? Which state has the highest percentage of customer experience jobs?

According to Lightico's CX Executive report, the typical customer experience professional is:



- Male
- Lives in California
- Works in the financial services sector
- If this person is a senior-level CX executive, the average annual salary is approximately \$132,000
- C-level positions comprise 12% of all CX jobs in the U.S. today

Lightico has conducted an extensive report of CX professionals from the United States. This report reveals its findings regarding the connections between education level, gender, geography, industry and seniority and today's customer experience salaries. We then take a closer look at that data and present some timely insights.

The customer experience industry is evolving ever more rapidly. This report is one resource in a broader discussion about compensation and industry best practices. As such, the salary survey would be best utilized in conjunction with other sources.

Ultimately, our hope is that this CX Executive report facilitates an informed discussion among customer experience executives, as well as as between employees and decision makers.

2019 CX Highlights

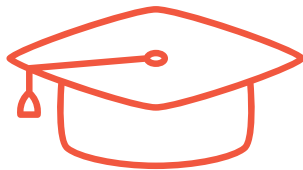
Key Findings:



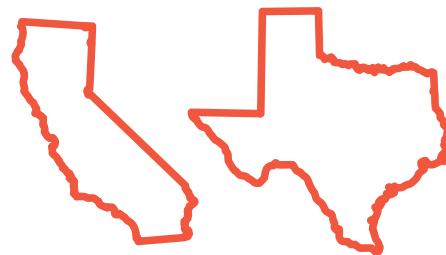
The most popular industry in consumer experience is **financial services: 16.5%**.



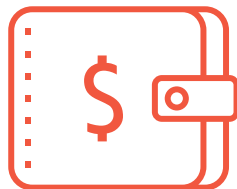
Customer experience **C-Suite** jobs make up close to **12%** of all CX jobs in the U.S.



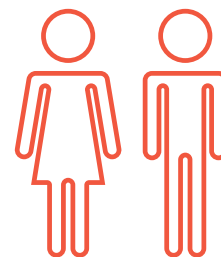
20% for CX professionals who were educated at an **Ivy League** university work in **C-Suite** positions.



Over one third of all CX executives work in either **California** or **Texas**.



The **average salary** for senior level CX positions is **\$132,000**.



The **gender gap** for CX executives is almost **nonexistent**.

Industry Breakdown: Where CX Professionals Work

The most popular industry in consumer experience is financial services. This hefty 16.5% portion of the CX pie is even larger than such massive industries as IT (tech support) or retail.



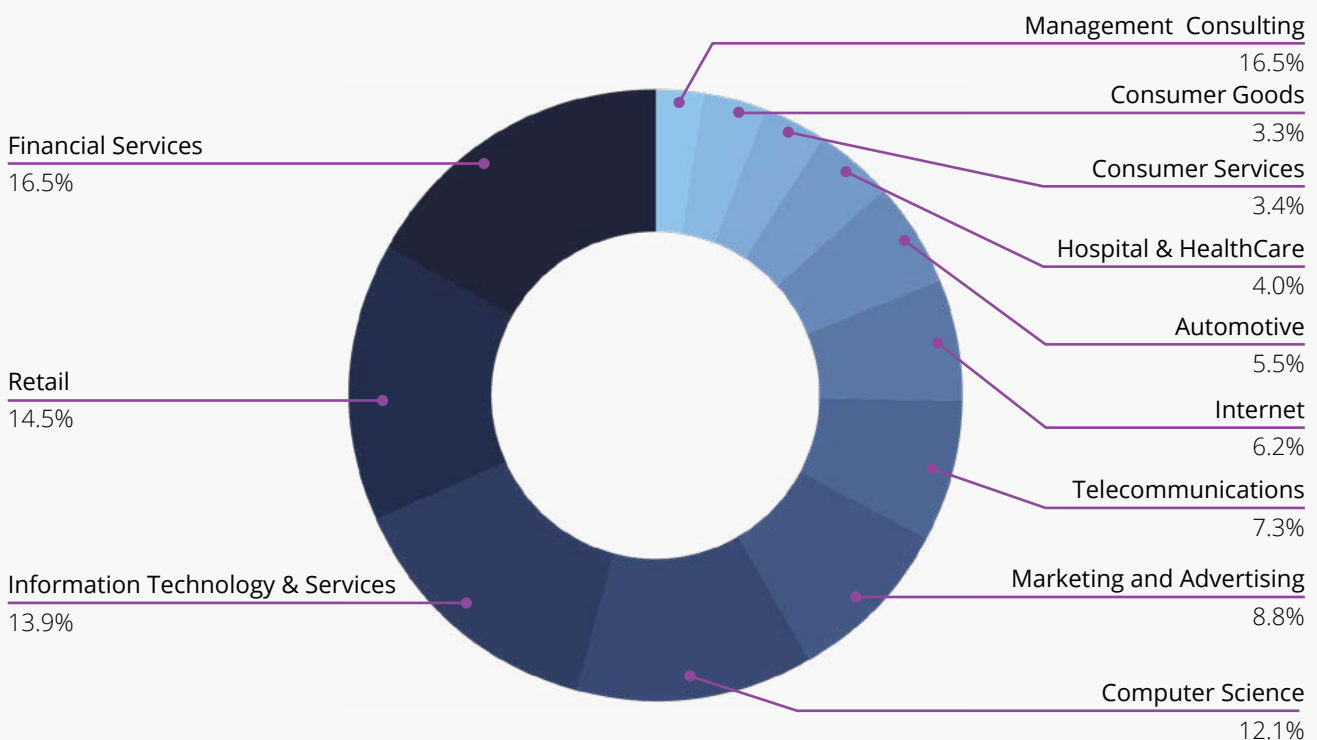
Focus on Insurance: Insights on Insurance CX

Based on our study of CX professionals by industry, insurance only makes up 4.3%. According to a Temkin study, the industry score for insurance ranges from 'poor' to 'good.'

At the same time, 96% of insurance executives indicate that a personalized customer experience is one of their top five priorities. Insurers recognize the importance of personalized customer experiences, yet 71% struggle to fully understand customers' needs and goals.

The crucial first step in developing innovative, customized experiences is when CX leaders are able to identify with or relate to "broad and diverse customer demographics, lifestyles and experiences." Specifically, today's customers demand simple, instant interactions and expect to do everything from their cellphones wherever they are.

CX Senior Management by Industry



How CX Executives Define Themselves

The most common function that CX professionals use to describe their work is 'support.' In general, customer support teams are in regular contact with consumers. However, they are also part of the larger customer service department, answering questions related to products and services and troubleshooting product issues.

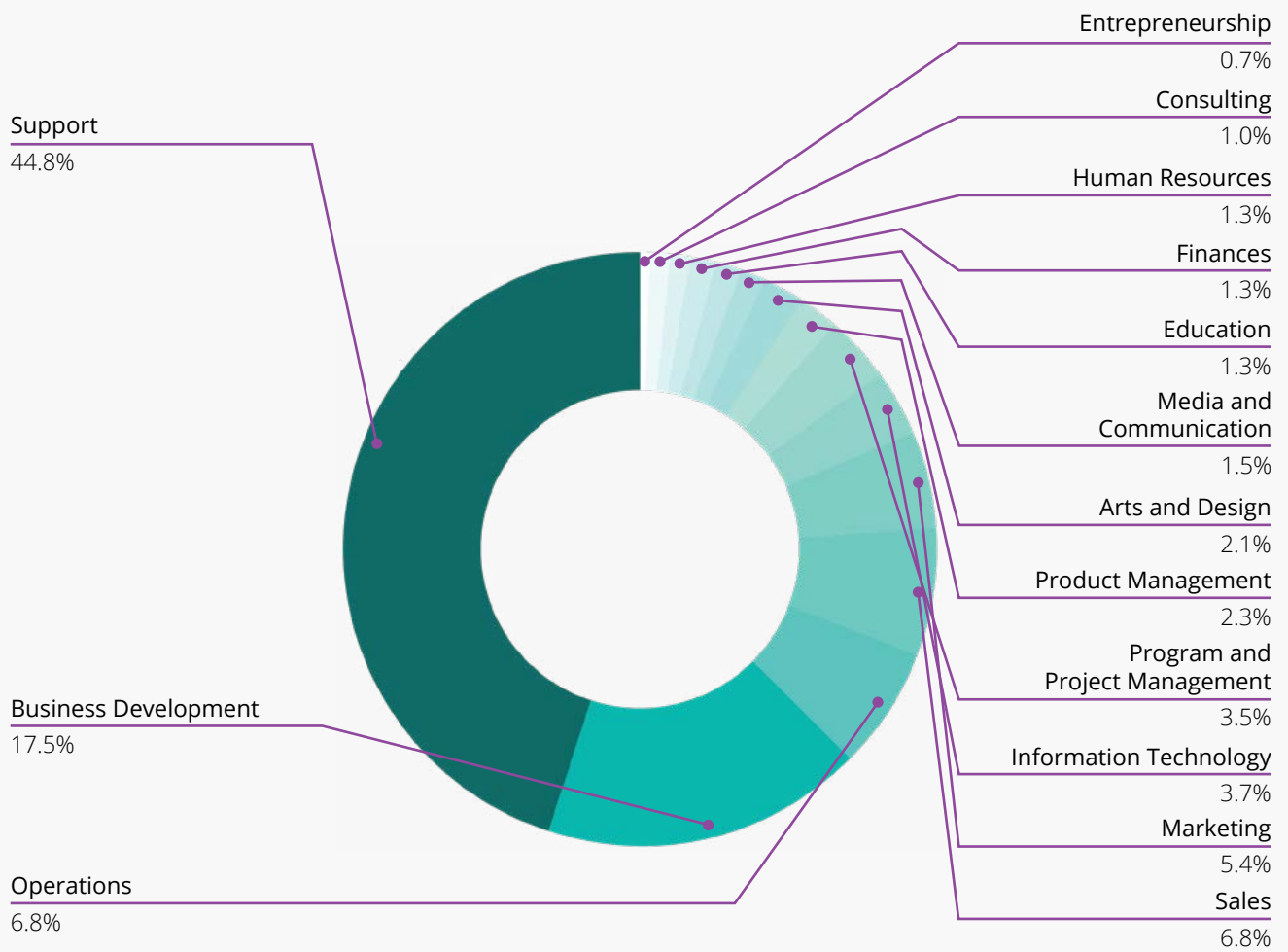
The primary CX support function used to be the gathering of information from *individual* touchpoints, determining where and why the customer journey broke down. Today, CX professionals are expected to optimize interactions *between* all the channels they manage. This enhanced CX role means that digital tools that improve visibility across functions and streamline customer journey processes have become industry requirements.

Indeed, digital transformation and rising consumer expectations are driving companies to adapt CX to new market realities. Research from IDC shows, 2/3 of CEO's from 2,000 Global companies have shifted their focus from traditional, offline strategies to more digital methods to improve the customer experience.

The next largest segment after support is business development, which is indicative that CX is taking its place as larger function within the organization and as a means to achieving business goals.



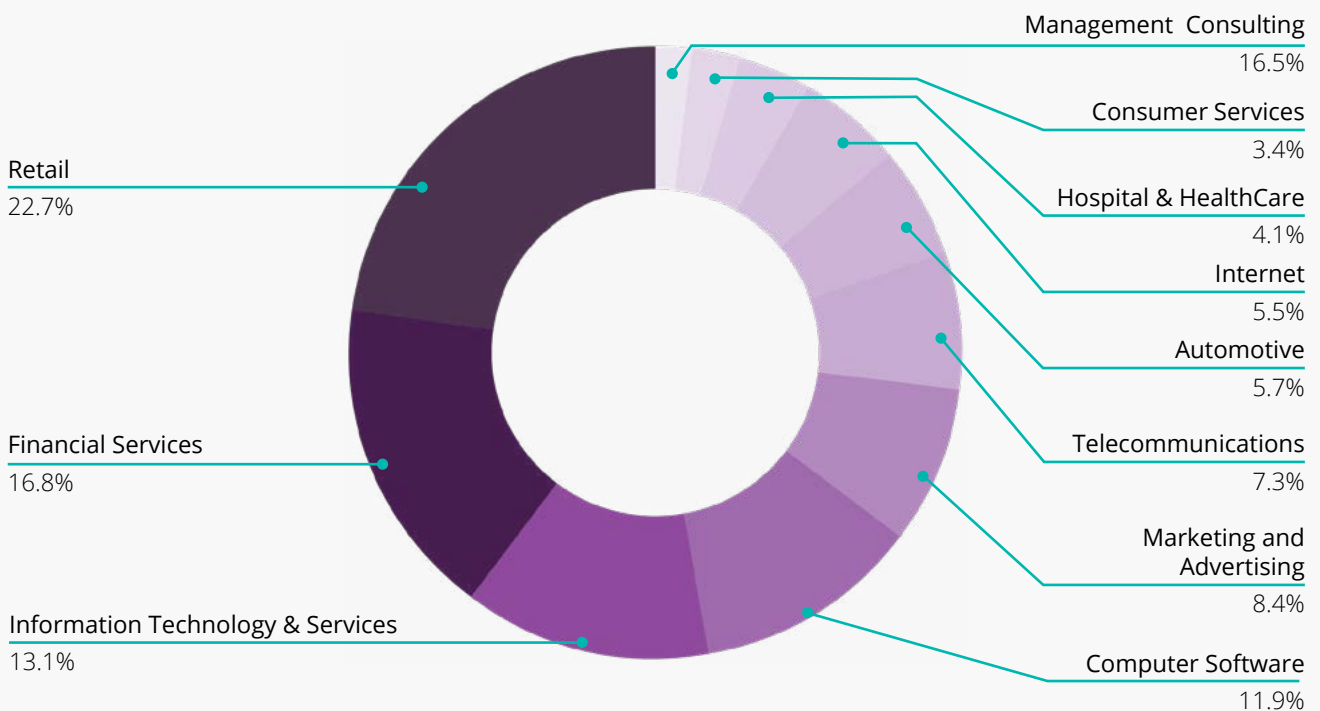
Function of CX Professionals in the U.S.



Support Function: Breakout by Industry

Increasingly, businesses are focusing on improving a specific aspect of support, the 'last-mile' of the customer journey. This is the moment where purchases, applications or transactions are made. When businesses don't equip their support teams to efficiently manage last-mile processes with their customers, the results are broken customer journeys, poor customer experiences and needless expenses. As a result, companies that haven't expanded their definition of 'support' to include this last-mile tend to experience a significant CX gap.

Industry Concentrations Within Support



The Key to CX Professional Advancement

In general, degrees from Ivy League universities tend to expand professional opportunities. In CX, this 'Ivy League Effect' is especially pronounced.

The lack of an Ivy League degree presents a significant barrier for CX managers who strive to move up in seniority but don't have the requisite educational background. Thus, if one aspires to move past the level of manager, a strategic plan would be to recognize that an Ivy League degree is key to breaking through to C-suite positions.

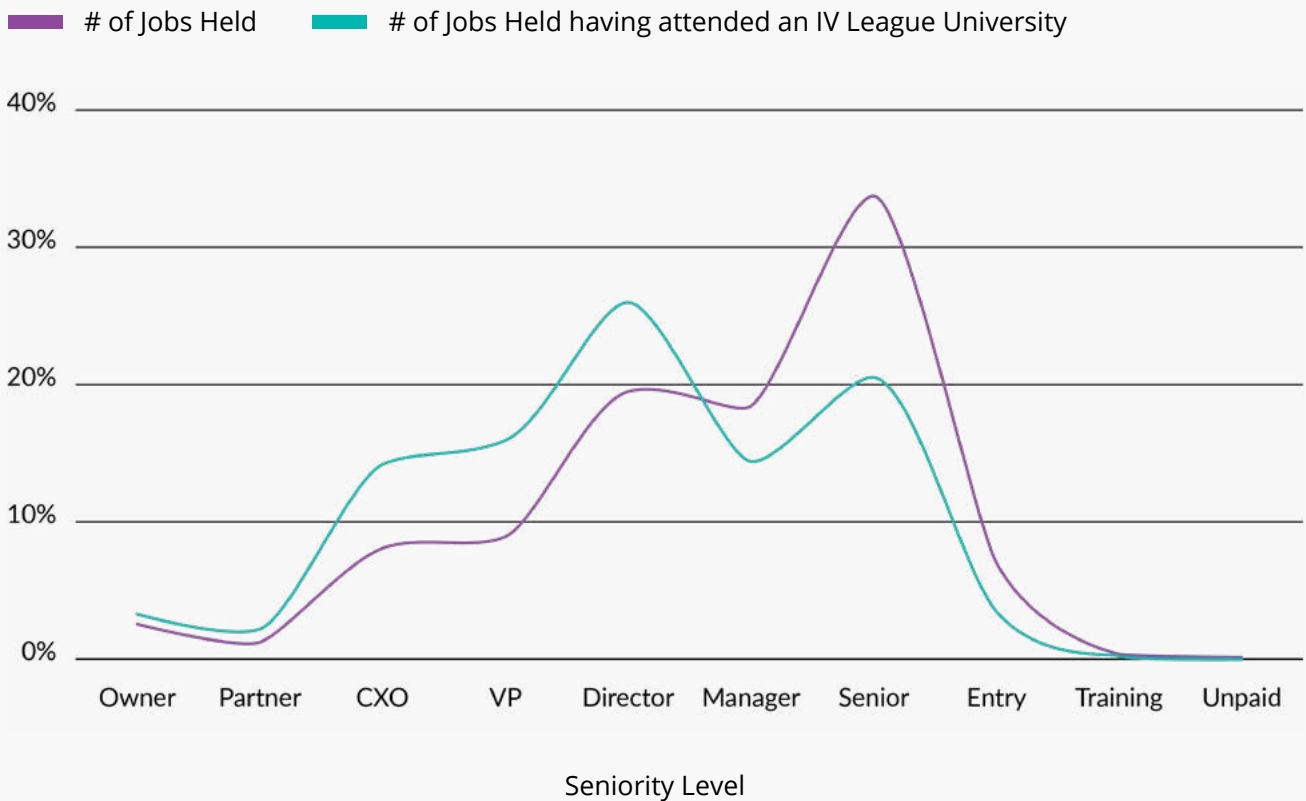
This study was statistically confirmed using a Chi-Squared hypothesis test. This test concluded that going to an Ivy League university has a significant effect on the chance of a CX professional obtaining a job above the seniority level of manager.

Relatedly, customer experience C-Suite jobs make up ~12% of all CX jobs in the U.S. However, that proportion jumps to ~20% for CX professionals who were educated at an Ivy League University.

The proliferation of C-Suite level customer experience positions such as the Chief Customer Experience Officer - CCXO and Chief Customer Officer - CCO confirms the growing importance of CX at the highest levels of companies. These top executives are empowered to develop, implement and improve customer experiences across an increasingly complex array of interactions. Typically, C-suite CX executives are the first to hold these newly created positions. More than ever, the lack of an Ivy League education could deny otherwise qualified candidates access to these senior-level roles.



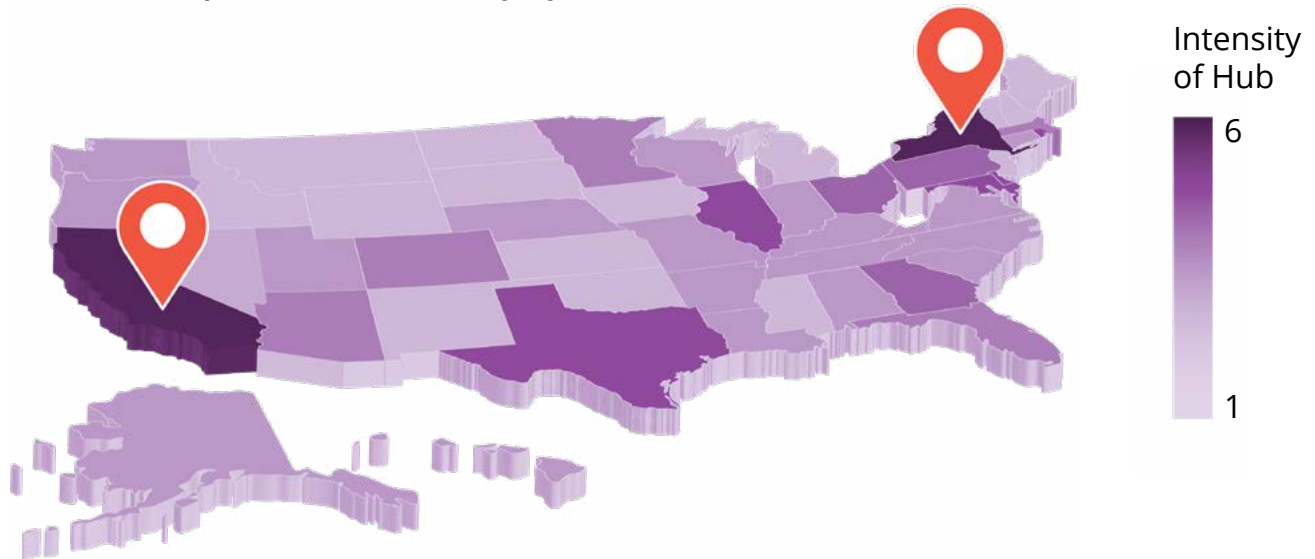
Proportion of CX Senior Management by Industry



Overrepresented: States With the Highest Proportion of CX Jobs

Using a 400-person representative sample from within the larger data set. Lightico found that over one third of all CX employees work in either California or Texas, while only 21% of the entire U.S. population resides in those states.

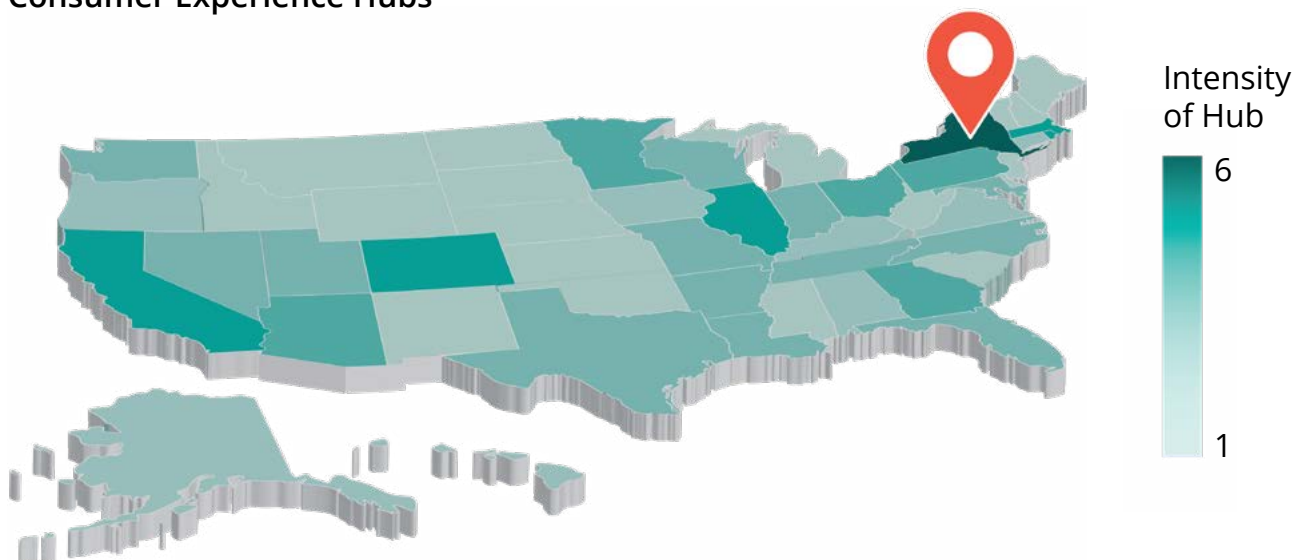
Customer Experience Job Density by State



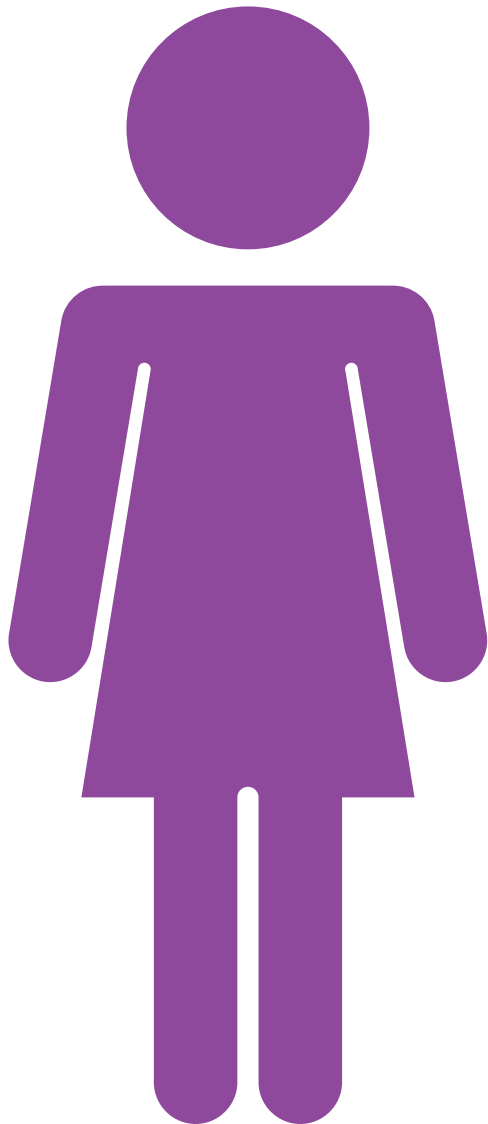
This study also found that the greatest disproportion of CX workers to population is in New York, Rhode Island, Illinois and California. This finding provides a key insight to all CX professionals who are on the market for new careers within the CX industry. To maximize not only the quantity but quality of professional opportunities in CX, it would be best for aspiring professionals to focus on one of those states.

Aside from these outliers, the quantity of CX professionals per state is closely proportional to the state's respective population. The continued growth of CX-related opportunities nationwide indicates that more and more organizations are relying on service and customer experience to build satisfaction and increase retention rates.

Consumer Experience Hubs



CX Professionals by Gender



45%



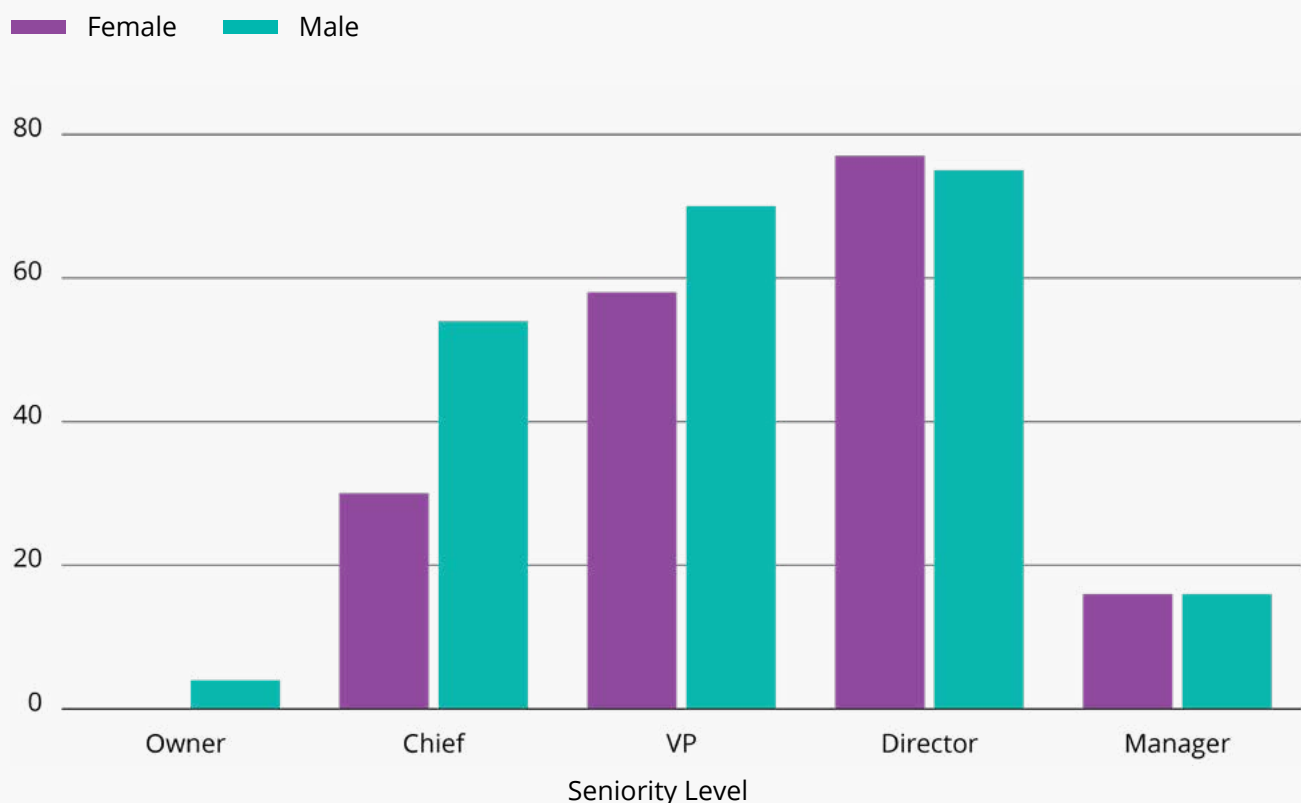
55%

Women Make Up Only 35% of the CX C-Suite

Research from around the world confirms that the glass ceiling remains a barrier preventing women from reaching the highest rungs of the corporate ladder. However, this gap is less pronounced within CX. The customer experience industry has a relatively even gender split. CX is comprised of 45% women and 55% men.

Women are closing the gender gap in senior-level roles. Women in executive-level positions in CX have secured a 3% head start in comparison to their counterparts in other industries. The gender gap in the C-suite for S&P 500 companies is 68%.

Gender of CX Senior Management by Seniority



2019 Senior CX Salaries

Average wages have remained essentially flat for decades. During this same period a small group of CEOs have been able to dramatically increase their salaries. According to a recent 40,000-person study, the average salary for CX professionals in senior level positions is ~\$132,000. And there is a significant gap between the salaries of CX managers and CX professionals in senior level positions.

This discrepancy is serving to demotivate many CX managers who aspire to advance to a better job with a higher salary. As noted above, the key to professional advancement is to attend an Ivy League university. Unfortunately, managers' low salaries create an additional financial barrier to attending such expensive academic institutions.

Our study also found that professionals in the customer experience C-suite make an average of ~\$153,000, with the high end of the range as far out as \$294,000. Research finds that consumers think a fair CEO-to-average-worker pay ratio is 4.6 to 1.

Chief Positions	Average Salary	Low	High
Chief Customer Experience Officer	\$175,943	78,535	294,129
Chief Customer Officer	\$131,276	44,050	275,918
Vice President Customer Experience	\$123,000	53,000	219,000
Director, Customer Experience	\$101,243	60,271	161,601
Customer Experience Manager	\$62,050	40,000	99,660

Conclusion: Is CX Adapting to Consumer Expectations?

Lightico's 2019 CX Executive report presents a snapshot of salary earnings among management and senior-level positions across the CX industry. While the gender gap within this sector isn't as wide as other aspects of the economy, the ideal of a 50-50 even distribution between male and female senior-level executives is still far from a reality.

The report also highlights the ability of CX to evolve, as evidenced by the growing prominence of this industry across the United States. The transformation of CX is taking place in response to changing consumer behaviors, expectations and emerging technologies. Companies are increasingly expected to deliver on-demand, real-time and personalized service.

To gain a competitive edge, businesses are thus enhancing their customer service teams with technology to keep pace with changing consumer demands. As CX becomes more critical to business success customer service teams will continue to need cutting-edge technology and regular training to keep up with the demands of the connected customer.

With additional resources and recognition agents are increasingly empowered to deliver exceptional service that results in accelerated processes, decreased operational costs, higher customer satisfaction scores, reduced agent turnover and increased conversion and sales rates.



Expert Approbations and Insights



Shep Hyken

Shep Hyken - This report supports the prediction that Gartner made almost five years ago, that by 2020 more than 50% of organizations will direct their investments to customer experience innovation. The update on that number is now 80%. It's obvious more and more companies are realizing the importance of focusing on CX. This report takes a look at the stats and facts related to the CX revolution; salaries, demographics and more. Proof that if you don't focus your energy and dollars into CX and your competition does, you'll be flirting with irrelevance in your industry.

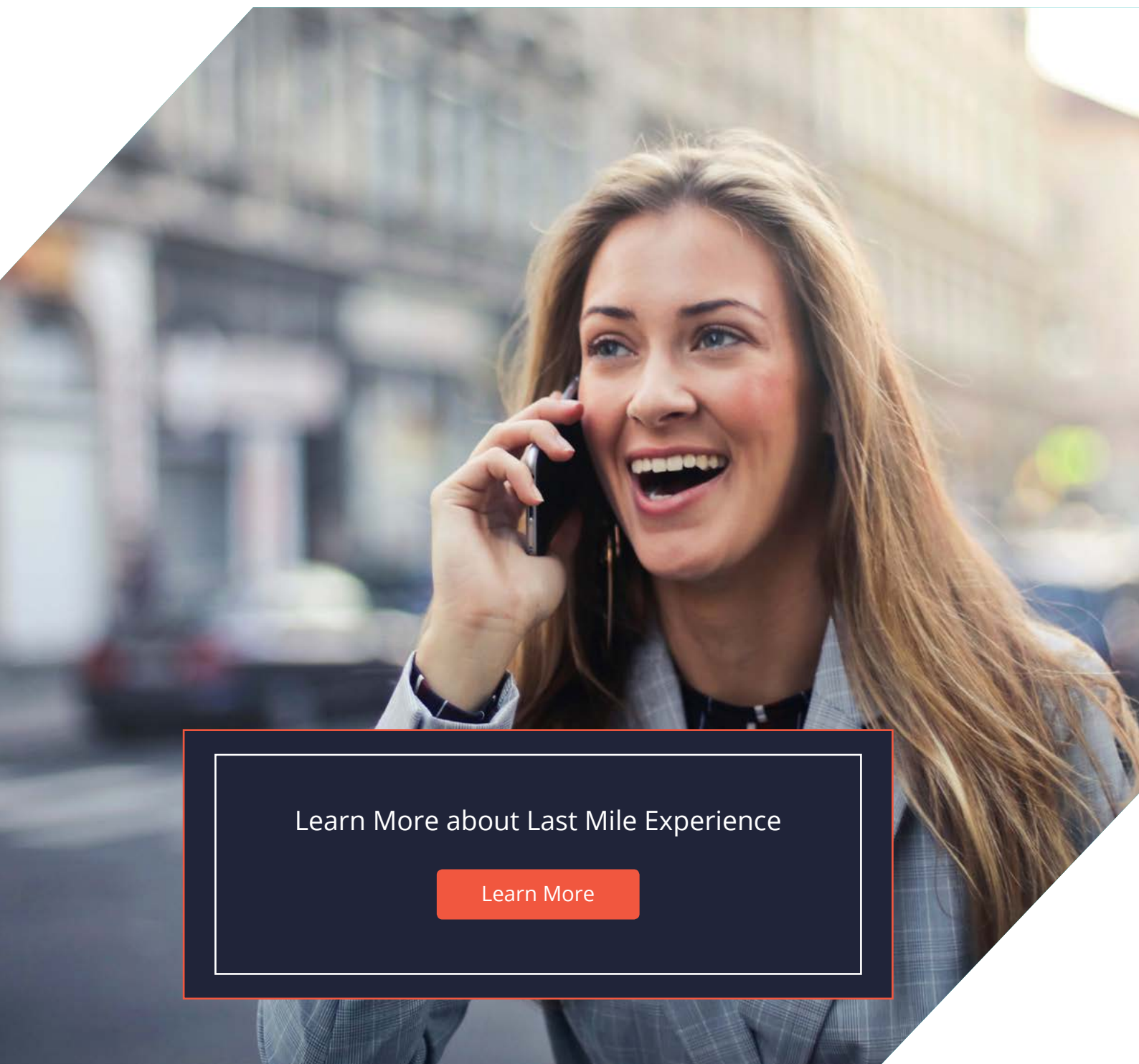
Note on Methodology

The CX Executive Landscape is a data-driven study of the current state of professionals in the customer experience industry. The report's findings are based on research of over 15,000 industry professionals. The study includes an analysis of 15,000 industry professionals from LinkedIn and third party data sources. A 400 person random and representative sample was selected to find geographic and gender based data points. To refine the process, the CX Executive report also incorporates the suggestions of leading customer experience thought leaders, people who are pioneering today's customer experience industry. The CX Executive Landscape & Salary Report was conducted by Lightico.



About Lightico

Lightico is a customer experience solution that enables contact center agents to accelerate sales and service requests to address business-critical CX gaps. Lightico's solution streamlines company processes and improves customer experience in the critical last mile of customer journeys.



Learn More about Last Mile Experience

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