

# Conversational CX Maturity Model

A framework for assessing and advancing your organization's conversation customer experience (CX).



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# Executive summary

The best customer experiences happen through conversations. Today, those conversations are increasingly digital, as the preference for messaging grows. As such, high-value customer experiences depend on how well brands can communicate through digital channels, or their conversational customer experience (CX).

In order to advance their conversational CX, leaders should ask themselves three key questions:

- > What is our current level of conversational CX maturity?
- > What is our desired level of conversational CX maturity?
- > How do we get there?

This white paper introduces a maturity model that CX leaders can use to measure the current state of their Conversational CX and evaluate future readiness.



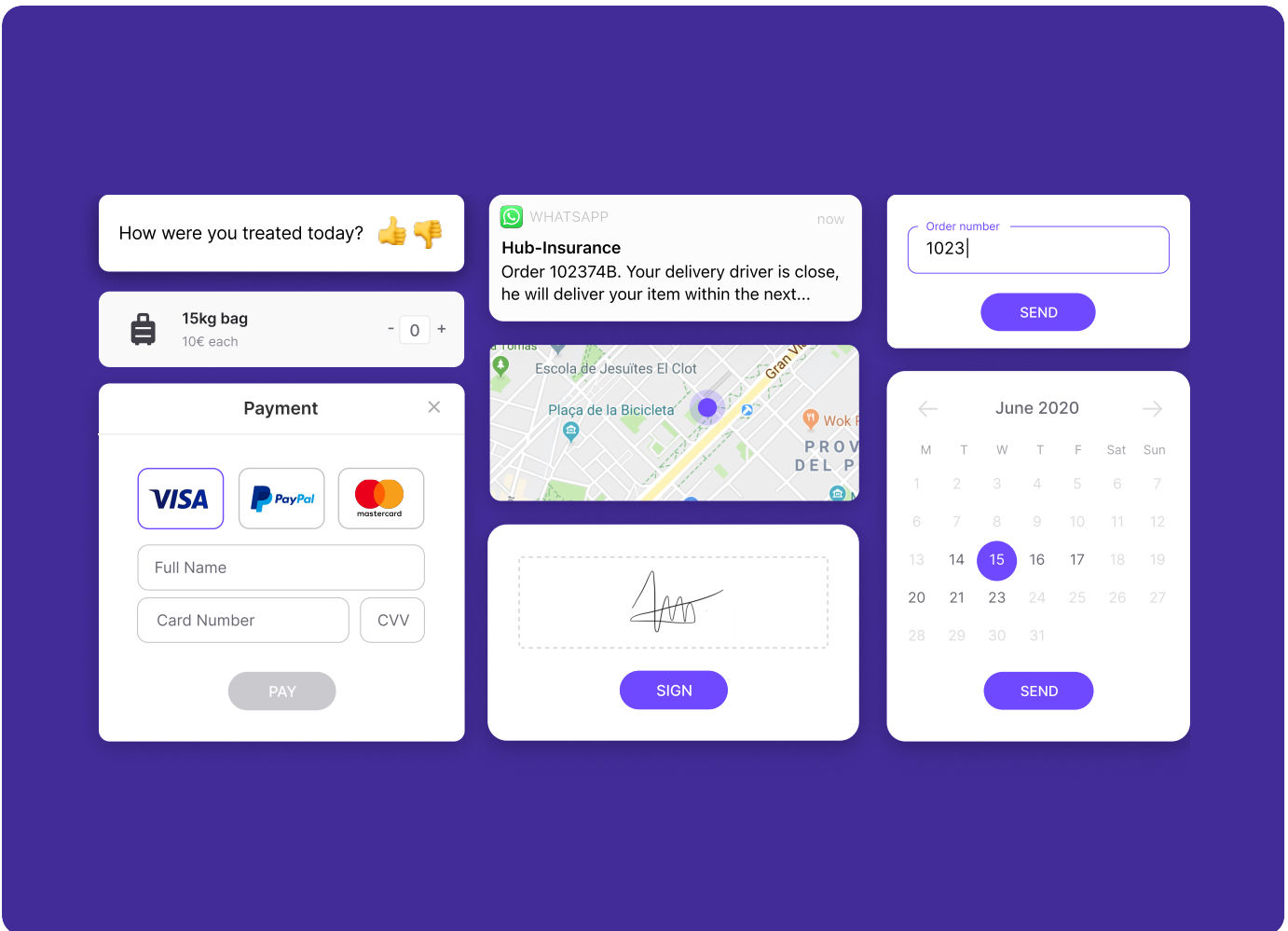
# 01

## What is Conversational CX maturity?

Conversational CX maturity measures the level at which a company can serve its customers through messaging channels, the sophistication of the technology in place, and the ability to handle different use cases.

Conversational CX maturity also measures how advanced a company's conversational strategy is, the capabilities and structure of the internal team, as well as how well the company meets compliance requirements.

Businesses with a high level of conversational CX maturity have a competitive advantage along multiple performance indicators, operational efficiency, time to market, customer satisfaction, and revenue growth. Businesses with low levels of conversational CX maturity struggle to achieve these benefits.



## 02

## Why is it important for brands to understand their Conversational CX maturity level?

By understanding their Conversational CX maturity levels, companies can identify areas for improvement and develop tactics to better meet customer needs. They can also ensure their conversational CX is well-positioned for a messaging-first future.

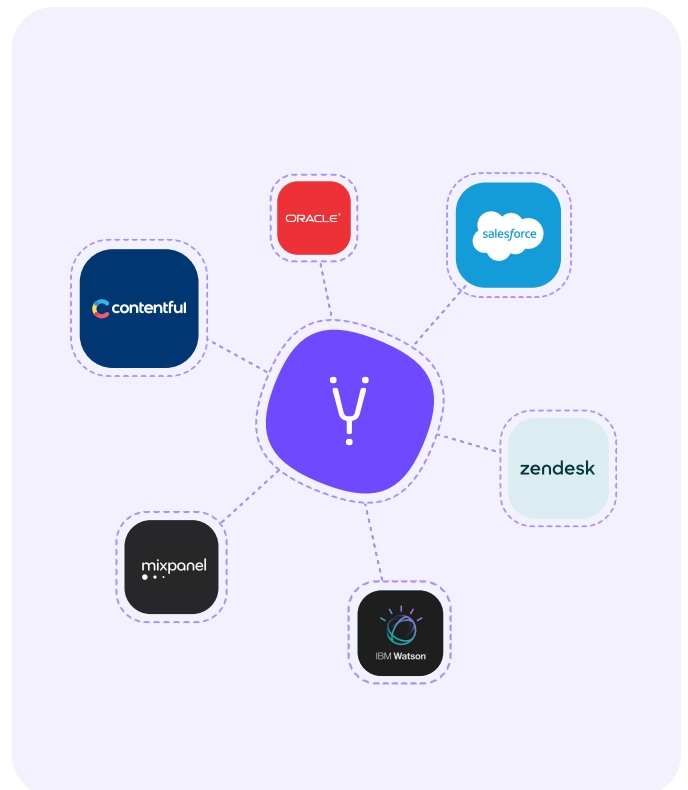
### Preparing for a messaging-first future

Conversational CX efforts can look a bit like a game of whack-a-mole, with businesses rushing to meet their customers on new channels as they pop up.

This often results in siloed technology and information, and it limits how they can scale and unify experiences.

Advancing a company's conversational maturity involves an organizational shift—one that emphasizes messaging as a critical tool to orchestrate the customer journey. It involves planning for a future in which the majority of brand interactions happen through messaging, from discovery to post-purchase.

Brands with high conversational CX maturity levels are able to reduce the risk of disconnected conversations and handle more use cases. And as channels and use cases proliferate, having a plan in place to unify them is an absolute necessity.



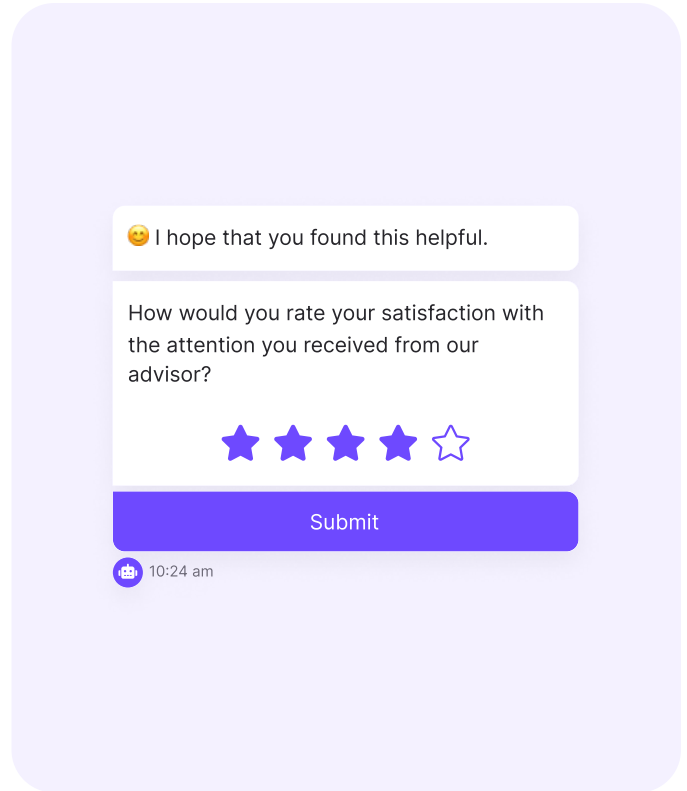
## Navigating organizational change

Brands with high levels of Conversational CX maturity are better positioned to navigate change internally. Right now, many brands are seeing a shift in the role of their customer service teams—they're no longer just dealing with unhappy customers and post-sale questions.

Instead, customer service teams are handling more of the buyer journey. They're dealing with pre-sale objections, moving customers through the funnel, and playing a key role in customer acquisition.

Communication channels must be prepared to handle this shift. They will need to evolve alongside customer service teams and handle more than just customer support-related use cases.

With the right foundation in place, brands will be prepared to do more than just automate FAQs and answer simple questions. They will be able to build engaging experiences with graphic user interfaces that rival even the most well-built websites.



## 03

# The Conversational CX maturity model

Below, we'll explain the typical challenges businesses face at each stage of their Conversational CX journey.



## The Stages of the Conversational CX journey

01

### Beginner

This phase marks the beginning of the Conversational CX journey. Companies at this stage are interacting with their customers through traditional channels, mainly phone, and email.

These companies realize they need:

- > To be where their customers are in order to improve customer satisfaction and loyalty.
- > To reduce costs and increase efficiency in order to scale support effectively.



02

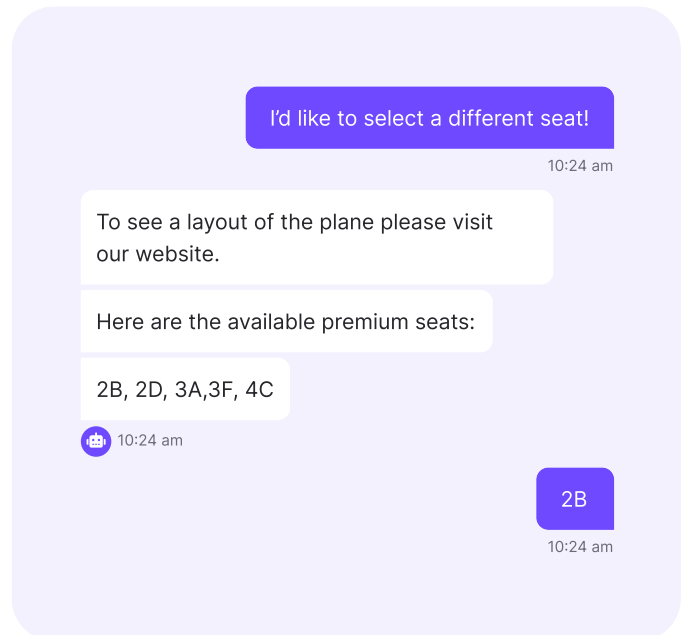
### Novice

In this stage companies are already interacting with their customers on chat and messaging channels, however,

- > there's no top-level goal defined, or not clearly defined
- > there's a top-level goal defined, but leaders don't know how to accomplish it
- > there's no automation or just very basic pre-qualification automation

Companies at this stage see the power of messaging channels; their agents are more efficient because they can attend 3-5 conversations at once. But they're also dealing with great volumes, and they need more automation.

They may also have isolated tools for messaging channels, which started as 'proof of concepts' but are gradually gaining traction. They feel the pressure to integrate these tools into their tech stack so they can centralize customer data and have a global overview of all KPIs and analytics.

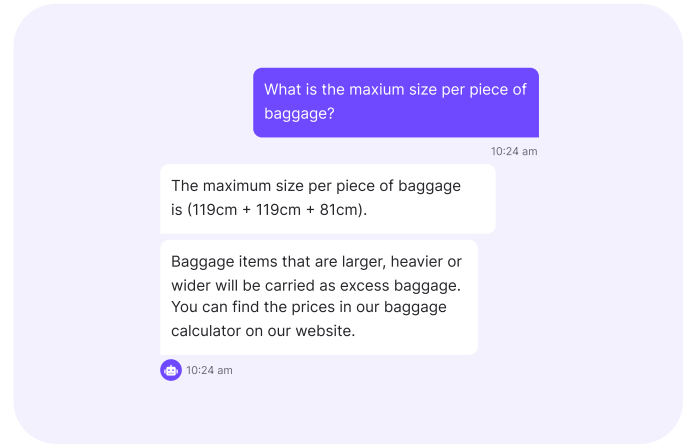


03

**Intermediate**

At this stage, the company already has some automation in place. Applying the 80/20 rule they've selected a handful of FAQs that generate the most traffic and have automated them using keywords, menus, and maybe some basic AI.

While this dramatically improves efficiency, the company realizes that these channels are needed in other areas like marketing, sales, etc so it's not clear who in the organization should unify the conversational CX strategy.



04

**Advanced**

At this stage, companies have a clear goal and unified strategy. They have the same tool across all business units and regions. The conversational experiences are based on "conversational AI," the company has invested quite a bit of time and money into training the AI.

**Challenges**

- > They hit a ceiling when it comes to automation (typically 50-60% max).
- > They tried to automate transactional/complex use cases (that require deep API integrations like login, payments, etc) but they realized it's impossible with conversational AI for security reasons.
- > Customer satisfaction is good but not great. Customers get frustrated with AI automation.





05

Expert

What businesses are doing at this stage:

- > Using tools that unlock all the potential of super-apps to build conversational applications:

**Characteristics**

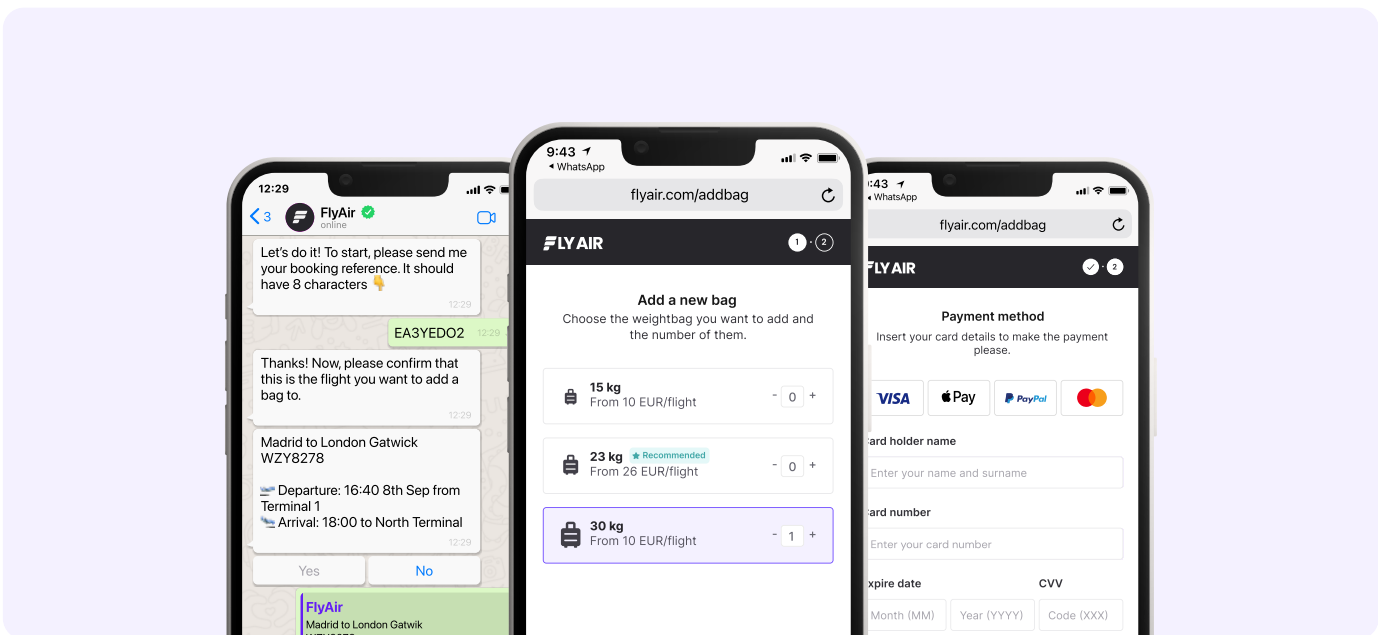
- Advanced integrations with core business APIs
- Mixing interactive components within the conversation
- Using advanced native features of super-apps (like product catalogs)

**Benefits**

- Greater customer self-serve
  - Higher customer satisfaction
  - Less contact center costs
- > Using holistic tools that help all business units to deliver a comprehensive conversational experience in the same channel (truly customer-centric).

At this stage, businesses understand that:

- > Messaging channels are going to be the main communication channel with their customers in the next decade.
- > Messaging channels are not just about exchanging text and media messages anymore, they're becoming "super-apps" that enable advanced functionalities like payments, product catalogs, and web extensions.



# 04

## What to know before you start your conversational CX journey

Below are a few items to consider before embarking on your conversational CX journey.

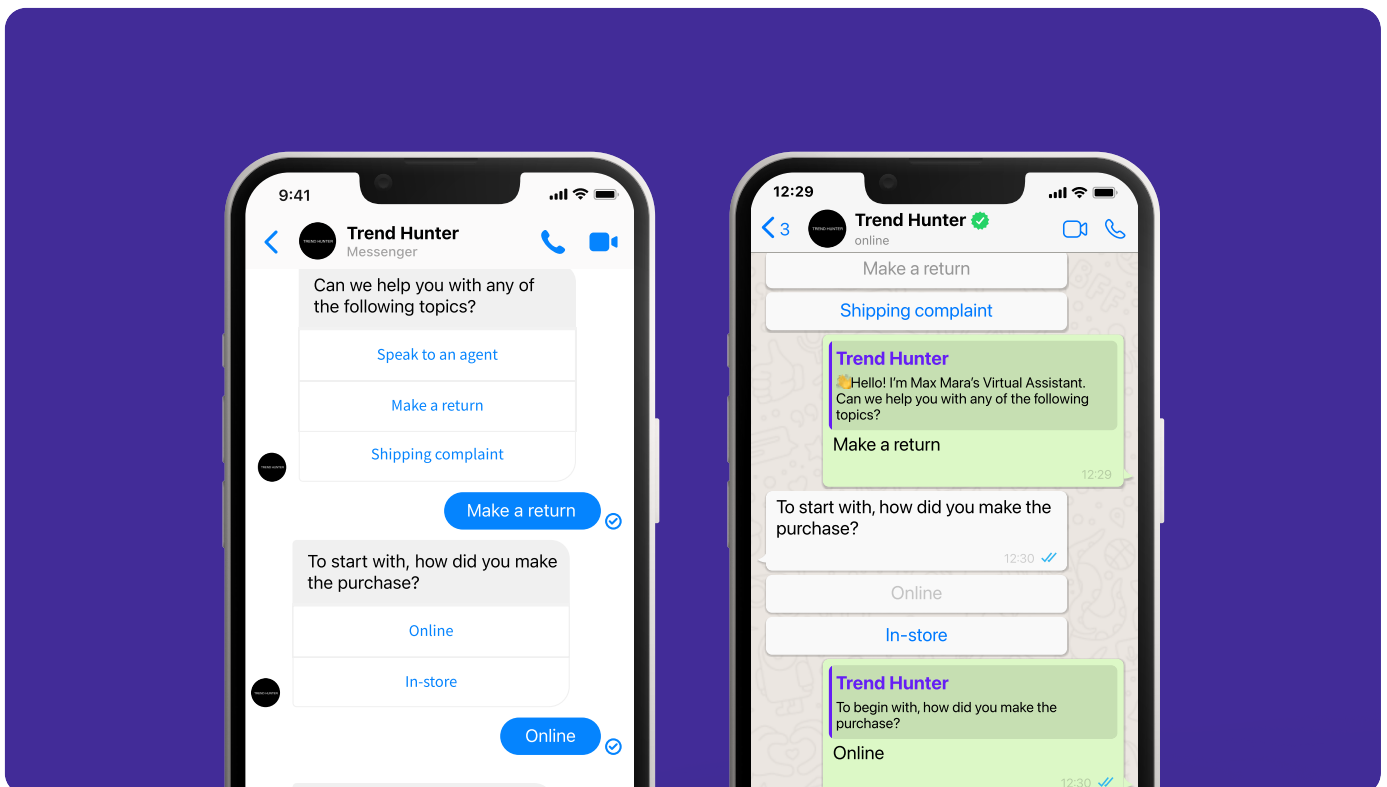
### The best solutions combine the best of all worlds

Conversational technology has evolved greatly over the past decade. Most people have heard of chatbots, digital assistants, voice bots, intelligent assistants—the list goes on. However, the best solutions are more holistic and are broadly referred to as conversational applications.

A conversational application is a software ‘package’ that supports specific user functions through simple, natural dialogue. It packages up the best of all different conversational to get customers from point A to point B with minimal effort.

There are three main ideas that make conversational apps unique:

- > They are multimodal, meaning they combine the best of graphics, text, touch, and voice interfaces to reduce customer effort.
- > They create structured experiences, which makes interactions faster and more relevant.
- > They leverage the features and benefits of leading messaging platforms like WhatsApp, Facebook Messenger, and Telegram.



## Conversational maturity ≠ Conversational AI

A common misconception is that conversational maturity and AI are synonymous. However, adding artificial intelligence (AI) doesn't make a business conversationally mature. AI can be extremely powerful, but it also has the potential to overcomplicate experiences.

Instead, our customers reach an optimal conversational CX maturity level when they are using the solutions that best support their business goals. Conversational apps help brands use the best possible conversational technology for their different use cases.

## Conversational CX is ongoing and user-driven

Finally, conversational CX is an ongoing journey of continuous iteration and improvement. Both customer and employee needs will inevitably change, so brands need solutions that can change alongside them.

Instead of viewing conversational technology as another platform to adopt, it should be viewed as a shift in the way companies solve customer issues both short and long-term.

# 05

## The business value of Conversational CX

Because conversational CX is so closely tied to both customer satisfaction and operational performance, it is one of the most crucial drivers of success.

### The business value for customers

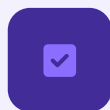
Over time, it's become clear that the brands with the least amount of friction win.

Thanks to businesses like Amazon, Netflix, and Uber, our tolerance for friction is at an all-time low.

On-demand movies, same-day delivery, and other services have led to a culture of instant gratification. Conversational channels are uniquely positioned to help brands meet these expectations. Customers want experiences that are:



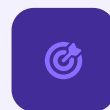
Personalized



Convenient



Consistent



Contextual



Fast

## The business value for organizations

Conversational CX impacts success metrics that are closely tied to revenue growth. It helps organizations get more efficient by reducing metrics like cost per contact, while at the same time boosting loyalty and growth metrics.



### Customer satisfaction

- Net Promoter Score (NPS) – Conversational CX improves the likelihood that customers will recommend a brand
- Customer Satisfaction (CSAT) – It helps ensure customers are satisfied, which increases upsell and cross-sell opportunities
- Retention rates – It increases the percentage of your active customers last month that is still active this month



### Operational

- Cost per contact – Conversational CX reduces how much it costs the company to engage with each customer.
- Contact rates – It reduces the percentage of active customers who need to contact support (about any issue) in a typical month.



### Customer value / ROI

Customer lifetime value – Conversational CX increases the amount a typical customer spends over their entire period as your customer.

# 06

## Getting started

The first step to understanding your conversational CX maturity is to understand where your organization is now. Using the rubric below, you can start to map out your current Conversational CX maturity level. For a calculator with additional functionality, [click here](#).

### Customer coverage

|   | Beginner | Novice                                   | Intermediate   | Advanced   | Expert                           |
|---|----------|--|--|--|----------------------------------|
| How many languages does your conversational experience cover out of all the languages spoken by your customers?                   | None     | We cover just the main language          | We cover just the main language                          | We cover most of the languages but not all           | We cover all languages           |
| How many geographies is your conversational experience available out of all the geographies where you have customers?             | None     | We're just present in our main geography | We're present in a few of the most important geographies | We're present in most of the geographies but not all | We're present in all geographies |
| How many messaging channels does your conversational experience support out of all the messaging channels used by your customers? | None     | We cover just the main messaging channel | We cover a few of the most important messaging channels  | We cover most of the messaging channels but not all  | We cover all messaging channels  |

### Automation

|  | Beginner      | Novice   | Intermediate                                  | Advanced   | Expert  |
|--|---------------|--|---|--|---|
| What kind of automation does your conversational experience have in place?       | No automation | Semi-automation<br>Pre-qualification and other partial customer journeys | Consultation<br>FAQs and other static content | Basic Transactional<br>Simple and/or public APIs like "flight status" or "where is my order" | Advanced Transactional<br>Logins, Payments and other complex business processes |
| What % of conversations are fully automated? (As opposed to responded by humans) | 0%            | 1-25%  | 26-50%  | 51-75%   | 76-100%   |

**Business use cases**

|   | Beginner | Novice                 | Intermediate          | Advanced   | Expert  |
|---|----------|------------------------|-----------------------|--|---|
| Do you use messaging channels for customer support?       | No       | Not yet, working on it | Proof of concept only | Yes, but messaging is not one of our main support channels | Absolutely, messaging is our most important channel for sales |
| Do you use messaging channels for sales?                  | No       | Not yet, working on it | Proof of concept only | Yes, but messaging is not one of our main support channels | Absolutely, messaging is our most important channel for sales |
| Do you use messaging channels for marketing?              | No       | Not yet, working on it | Proof of concept only | Yes, but messaging is not one of our main support channels | Absolutely, messaging is our most important channel for sales |
| Do you use messaging channels for personal notifications? | No       | Not yet, working on it | Proof of concept only | Yes, but messaging is not one of our main support channels | Absolutely, messaging is our most important channel for sales |

**Tools & Technology**

|   | Beginner  | Novice  | Intermediate  | Advanced   | Expert   |
|---|---|---|---|--|--|
| What kind of tool are you using to manage your conversational experiences?  | No automation   | No special purpose tools.<br>We use a tool like a CRM or a social media platform that also manages messaging channels | Simple special purpose tool.<br>We use a special purpose but kind of limited tool (designed for SMBs or building proof of concepts) | Single use case conversational platform.<br>We use an advanced conversational platform that is limited to one use case (customer support, marketing, etc.) | Enterprise grade and holistic conversational CX platform |
| Is your conversational platform integrated with the rest of your tech stack?<br>Think integrations with your CRM, analytics, knowledge base, etc. | No conversational platform  | Not integrated  | One integration   | Several integrations<br>(But still some missing pieces)  | Fully-integrated   |
| What technology do you use to build your automation?  | No automation / I don't know<br>(All conversations are responded by humans) | Keywords and menus<br>(We have basic automation with keywords and buttons (quick replies))                            | Artificial Intelligence<br>(We train a natural language AI model with intents and examples)   | Interactive components<br>(Web extensions (webviews) and embeded visual components like calendars, login forms, etc)                                       | Conversational Apps (a combination of all)               |

## Analytics

|   | Beginner   | Novice  | Intermediate   | Advanced   | Expert  |
|---|--|---|--|--|---|
| Are you collecting data from your conversational experiences? | None   | General data (unique users, channels, languages, etc)   | Customer Satisfaction (CSAT, NPS, etc)   | Customer Journeys and Flow Analysis (CSAT by each customer journey, dropoff % at every step, etc.) | Everything (A combination of all)   |
| Are you improving your conversational CX experiences?         | No<br>No conversational experience in place or not improving since launch. | Yes, Yearly   | Yes, Quarterly   | Yes, Monthly   | Yes, Continuously   |
| Are your improvement initiatives backed by data?              | No Data<br>We don't have data to back our decisions                        | Data not used<br>We have some data but we don't use it. | Basic Analysis. We analyse our current data and decide what to improve next based on impact and difficulty | Advanced Analysis. We run some A/B tests and make decisions based on the results                   | Experimentation culture. We have a systematic process to regularly run experiments and A/B tests to validate hypothesis |

## Leadership & Strategy

|  | Beginner | Novice   | Intermediate   | Advanced  | Expert  |
|--|----------|--|--|---|---|
| Is there a clear conversational CX goal and strategy?    | None     | Not clear<br>No success KPIs or timeframes defined. Strategy is not understood by all stakeholders | Explicit goals and KPIs<br>But no clear strategy or conflicting strategies | Clear goal and strategy<br>But no resources to deliver it (budget, people, etc) or it's unrealistic | Perfectly defined<br>There's a clear goal, strategy and resources to deliver it |
| At what level is the conversational CX strategy defined? | None     | Project Manager  | Business Unit Leadership   | Country/Regional Leadership   | Global Leadership   |

**Team**

|   | Beginner | Novice   | Intermediate  | Advanced  | Expert  |
|---|----------|--|---|---|---|
| <p>Do you have dedicated people to conversational CX initiatives?</p> <p>(Internal employees, not counting customer support agents)</p> | None     | <1<br>One part-time employee                               | 1-3<br>A small team, not fully dedicated  | 3-6<br>A fully dedicated team   | >6<br>A fully dedicated, cross-functional team  |
| <p>Do you have external support to design, build, and improve your conversational experiences?</p>                                      | No       | Just Tools<br>We use external tools but no external people | Generalist Contractors<br>We collaborate with external contractors, but they're not conversational CX specialists (they know how to use conversational CX tools, among other skills and responsibilities) | Generalist Agencies<br>We collaborate with external companies, but they're not conversational CX specialists (IT consulting firms, BPOs, etc) | Specialists<br>We collaborate with external companies specialised in conversational CX. These companies bring in tools and specialised conversational CX profiles |

**Legal**

|  | Beginner     | Novice   | Intermediate   | Advanced   | Expert   |
|--|--------------|--|--|--|--|
| <p>Are legal considerations taken into account when creating conversational experiences?</p> | No           | Rarely<br>We try to comply with regulations like GDPR, but there's no supervision from an specialist | Sometimes<br>We consult with legal specialists if we have any doubts         | Regularly<br>Our legal team is part of the process, but they get involved at the end of the projects | Always<br>Our legal team is part of the process since the beginning of any project |
| <p>Are your employees using messaging channels safely within your organization?</p>          | I don't know | Not Safely<br>Employees using their personal WhatsApp to communicate with customers                  | Forbidden<br>Messaging channels are forbidden, but we don't have any control | In Progress<br>Not currently, but we're trying to fix it soon  | Safely<br>Our employees use WhatsApp in a GDPR compliant way                       |



## 07

# About Hubtype

Hubtype helps leading global brands open and scale new channels, eliminate friction in their customer journeys, and tackle complex use cases. In a messaging-first world, our clients turn to us for solutions that drive business growth.

Hubtype was founded in 2016 when Marc Caballé and Eric Marcos, two computer scientists, noticed a disconnect between how customers wanted to communicate and the experiences that most brands offered. Customers wanted fast, seamless communication on messaging channels, but brands still relied heavily on traditional channels.

Since then, we've made it our mission to help brands improve their customer experiences through messaging and chat. We've been on the front lines of the paradigm shift to messaging, helping brands evolve and meet new demands. Today, we're helping brands automate complex use cases, create intuitive graphic interfaces, and essentially bring their website experiences to messaging. Hubtype is now proudly helping enterprise customers all around the world create meaningful and frictionless conversations at scale.

[Calculate your Conversational CX Maturity Level →](#)