FIELD BELL INSTITUTE

THE STATE OF EDUCATION IN CUSTOMER MANAGEMENT

Exploring the industry's relationship with formal education and the parallel risks, threats, strengths, and opportunities for future corporate reliability of its disciplinary management standards.

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Executive Summary

The customer management field is the "Global South" of the business world - undeveloped in essential infrastructure, overwhelmed by external self-interests, and awash in populism. This study explores an underlying cause: the availability and quality (or otherwise) of critical education.

The "Global South" generally refers to countries that are described as "developing," "less developed" or "underdeveloped." In the business setting the clear parallel is that of *customer management*, more populist than capitalist in the majority of its "CX" manifestations, and with calamitous economic performance.

OVERVIEW

The global digital transformation market, of which customer programs are a majority proportion, is projected to grow from US$2.71 trillion in 2024 to US$12.3 trillion by 2032 at a compound annual growth rate of 20.9%.[i] Yet, the forecast failure rate of 87.5%[ii] underscores that deficiencies in customer management literacy and its governance are not solved by technology. Beyond the investment waste, the fiscal implications are manifold. Both upstream and downstream of these transformation projects, the compounding effects of failed customer management are eye-watering. Accenture reported that customer switching between companies correlated to poor service "triggers" costs a whopping US$1.6 trillion per annum in the USA alone [iii]. Another study in 2021 went further, calculating that the annual global risk to sales from "bad experiences" is US$4.7 trillion, [iv] and there is significant corroboration as to both these patterns and proportions. ("The Customering Method: From CX Dogma to Customer Science," Routledge & CRC Press, 2024).

THE CUSTOMER IMPERATIVE

The 21st-century proliferation of technology and dynamic consumerism (choice, behavior, economics) demand a formal, industrial managerial response. In its absence, technology interests have misappropriated the now populist "CX" movement with common practices evoking the widespread corporate loss described above. The industry was susceptible due to the failure of the education system to keep pace with the Customer Imperative of the 21st century, and so this study explores the perspective of industry participants as to its educational options.

Methodology + Results

Beginning September 2023 , Field Bell Institute conducted a study into the sources of education in the field of customer management, often referred to as “CX”, and the confidence that management, marketers, and practitioners (general) have in them.

Respondents were from the America’s (16%), UK and Europe (27%), Asia Pacific (46%), and Africa and the Middle East (11%).

They identified as ‘general managers’ (78%) and ‘heads of department’ (49%), or in non-defined executive roles with the word ‘Chief’ in their title (29%). Across a range of diverse roles, many overlapping, 61% were involved in the management of ‘all channels’, 10% in only one channel, 25% worked in martech’, 32% in customer feedback (surveys), and 26% were involved in ‘service design,

DATA COLLECTION METHODS

Data was collected using standard self-reporting measures, via a question-set hosted online. Respondents were sourced from social media promotion of the study.

#	MAIN QUESTIONS
1.	Where do you believe the industry provides the best formal training?
2.	Do you believe a dedicated Bachelors Degree would advance the industry?
3.	Do you believe a Graduate Certificate or MBA-level papers would advance the industry?
4.	What would you regard as the most trustworthy sources of critical knowledge?
5.	Rate the industry’s access to independent scientific and management theory
6.	How would you describe the overall technology vendor landscape?
7.	Can the industry rely on the product / business outcome claims of vendors?
8.	How much do you look to your vendors for overall management theory?

WHAT WE FOUND

A feature of the research was the unexpected strength of feelings toward the lack of formal training in the field. Chiefly, no respondent would cite an academic institution that provided acceptable managerial education, while vendors and industry associations were indistinguishable as an information source, the latter being a by-product of the former and exhibiting conflicted interest. Completing the general vacuum, respondents' trust in consultants for credible expertise as a proxy for education, is very-low.

0%

Academic

No respondent could name a specific provider or course that provides independent, tertiary-level training

89.5%

Critical Education

89.5% believe that advanced formal training in customer management would improve the industry and their career

34%

Pragmatists

34% of respondents believe that the industry does not provide any training of merit at all.

18%

Theory

Only 18% reference adjacent fields (e.g. the social sciences, marketing, economics etc) underlining the low level of literacy in the management of the customer asset.

89%

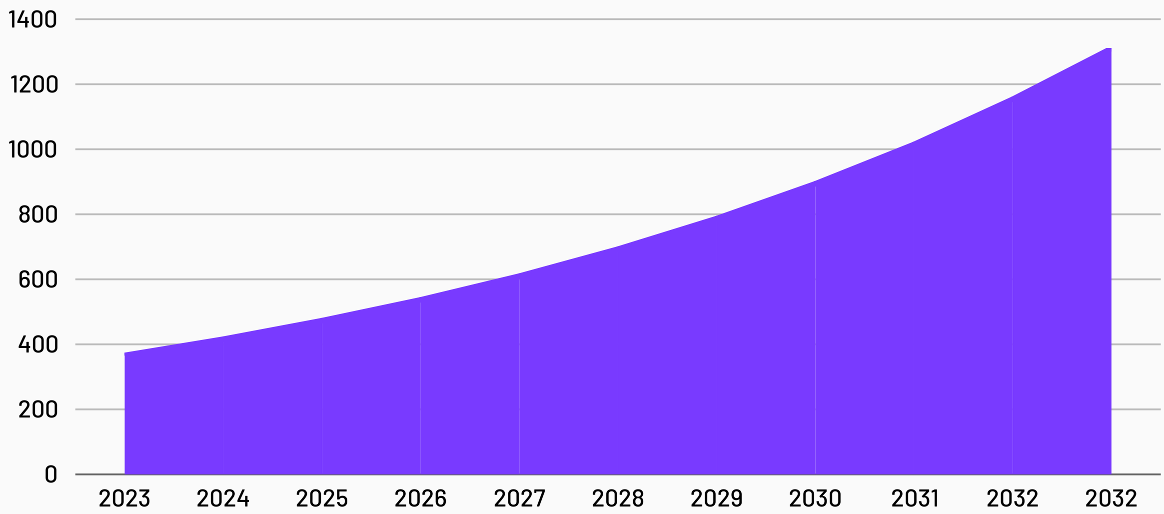
Over-Tech

More than 89% regard the vendor landscape as "hard to decipher", convoluted, or "totally dysfunctional;"

MARKETING'S EXPLODING REMIT

A report by Mi3 Media [v] strongly suggests a wholesale swing to customer and customer lifetime value (CLV) accountability for marketing departments, and an accelerating of marketers' remit in the field of customer management more broadly. The expansion of marketing into customer management is further evidence of the volatility and underperformance of widely accepted feedback-based practitioners. Whilst marketing still lacks a barrier to entry, increasingly, its management ranks carry formal quaiifications in the field, offering a more robust economic understanding of at least aspects of the customer base. This trend further underlines the educational gap suffered by those seeking to specialize in the management of customers.

2024 witnessed a significant increase in demand for corporate marketing jobs. Robert Half reported [vi] that in the US alone, more than 80,000 new marketing roles were created in the first half of the year, and according to Statistica [vii], marketing jobs are expected to grow 10% from 2020 to 2030 — the fastest rate of all jobs. Within those numbers, roles for 'digital marketing' are prominent. This is increasingly a misnomer for activities that interact with customers, rather than the market, and so the job growth illustrated here [viii] is often more to do with customer management than marketing perse.



CUSTOMER CENTRIC MARKETING IS NEITHER MARKETING, NOR CUSTOMER MANAGEMENT

Whilst this term is increasingly popular, it is recognized very quickly by trained marketers and customer managers, as something of a false dichotomy. All marketing, when properly undertaken, is oriented to the *market* (or 'customer' as an inaccurate proxy). Secondly, marketing tactics (ala messaging) is not primary within the customer management discipline. Yet the presence of the term itself is another example of:

1. The creep of marketing into the customer franchise, and
2. The education gap that must be surmounted for either party to be effective

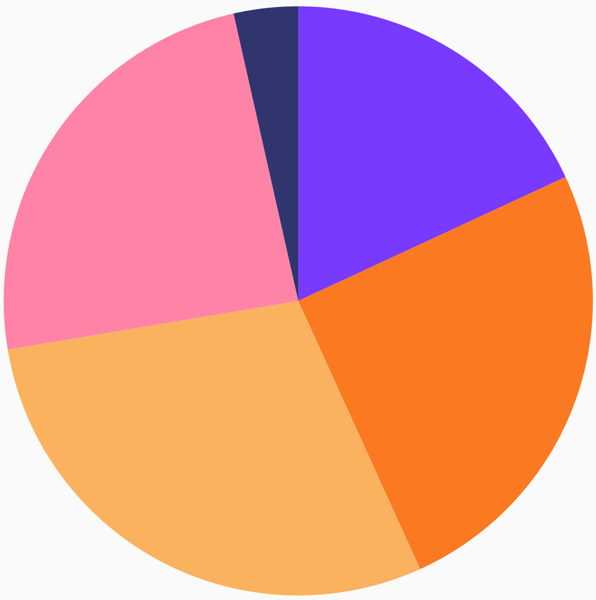
CUSTOMER MANAGEMENT AND THE TECH SECTOR

The industry suffers from a paradoxical relationship with technology. On one hand, digital technology has been the driving force behind the 21st century 'Customer Imperative'. On the other, vested interest categories have conducted a velvet revolution, effectively taking over the field for their own gain.

#	CONFIDENCE IN VENDORS FOR MANAGEMENT THEORY	PERCENTAGE
1.	Critical or foundational	3.51%
2.	Important	24%
3.	Moderate	29%
4	Some	24%
5	None	18%

IT'S COMPLICATED... AND SOMETIMES ILLICIT

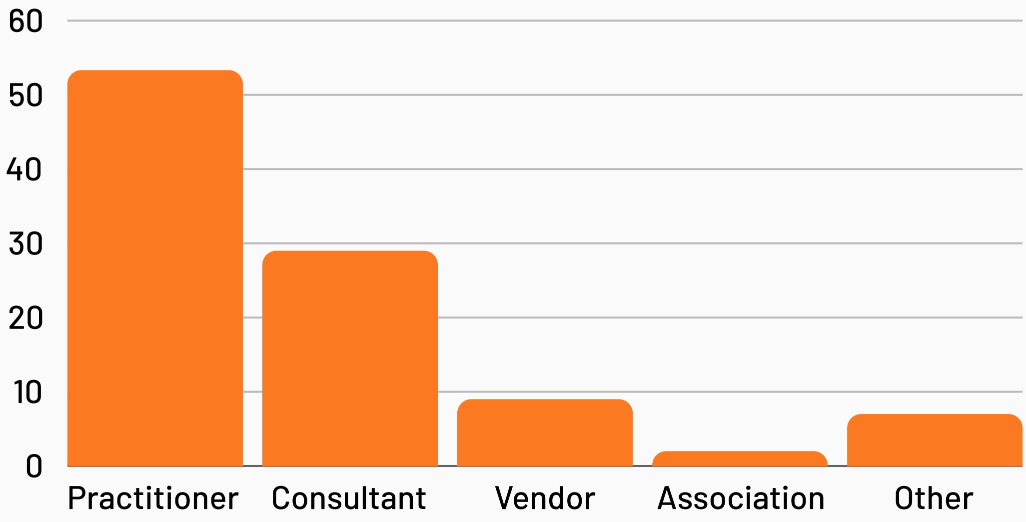
This complicated relationship leads to conflicted reporting. While more than 89% of our respondents don't trust vendors, around 80% still place stock in their directions. This highlights the absence of credible education, resulting in a default setting, whereby technology leads - courtesy of a knowledge vacuum. It is a case study in Solow's Paradox [ix].



This finding also underscores the importance of true independence in future training providers and questions the legitimacy of industry associations that allow their certifications to be based on vendors, technology categories, or feted "practices" with the same origins.

THE PLAYERS WHO PLAYED

This research was supported by a range of participant-types across the eco-system that makes up the industry. This allowed for the capture and contrast of varying perspectives, and interestingly, the comparison of wider industry views against specific interests. We were, however, pleased that the majority of respondents were active customer manager roles or specialist practitioners. This was followed by consultants, vendors, and associations. Those who identified themselves as 'other' were more senior leaders with an oversight remit at executive level.



ALL HAIL THE HOBEST BROKERS

A feature of the study was the level of self-awareness and the propensity for honest reporting that appears when the cloak of anonymity is available. We noted the following:

>> Despite 9% of respondents hailing from the vendor community, none reported confidence in vendor claims as to business outcomes of its products

>> While 29% of respondents were from consultancies, a full 64% of them did not endorse their own occupation as a source of valid education. This, despite the more common claims.

>> The 34% of all respondents who believe that the industry provides no credible formal training at all, includes 68% of those that identified themselves as working 'Practitioners' who hold industry certifications.

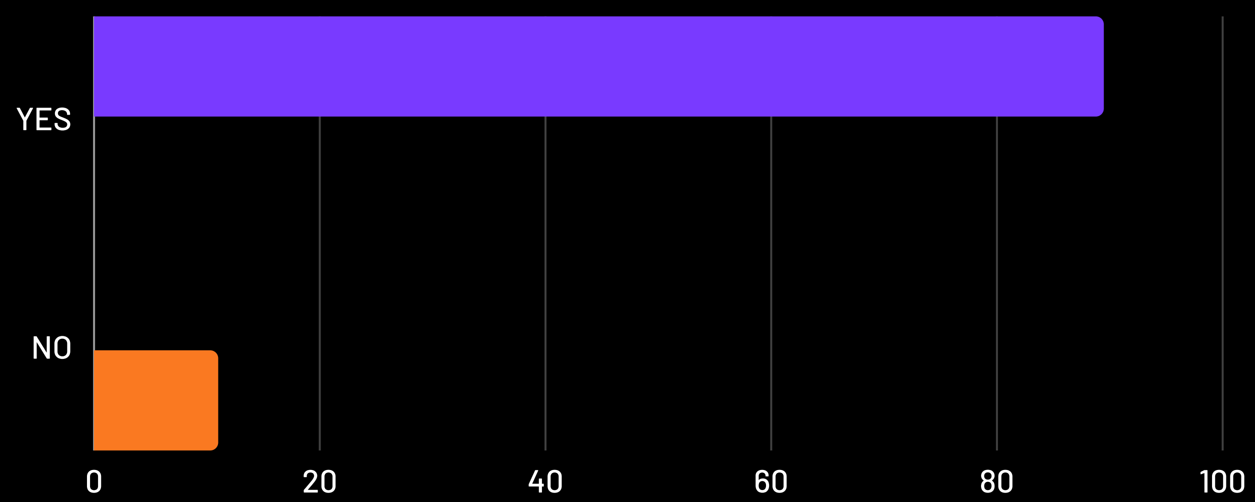
INDEPENDENT TERTIARY LEVEL EDUCATION

A surprising feature of this research was the high level of demand for tertiary-level education in the field. It appears that in more senior circles, there is a growing awareness of the performance deficiencies of previously accepted "CX" practice. This translates to demand signals at all levels for more credible and effective careers in both the management, and technology domains.

We found almost no variance between different respondent types or seniority. Nor was there any reportable variance by geography. Whether a function of the exposing effects of economic studies, job market demands, the softening of vendor marketing budgets due to early 2020s recessionary forces, or that "CX" is now on the other side of the hype cycle - there is a strong suggestion that a shift has occurred toward more legitimate career development.

DEMAND

Do you believe the presence of formal tertiary education in Customer Management, standalone or as graduate programs, or adjunct to other business studies in commerce or marketing, would advance the industry and those within it, in the same way, that formal education does in professional fields (e.g. legal accounting, engineering, teaching)?



SWOT Analysis

Resting on evidentiary management practice (1st) and disciplinary language (2nd), *educational infrastructure (EI)* is the 3rd test of established professions, enabling a regulated barrier to entry. An industry SWOT of EI presents a troubling status quo - and lights the path.

STRENGTHS

Evidence of strong appetite for industry wide improvement

Reported demand for formal education at tertiary level

Increasing jobs in the industry

The expanding role of marketing leadership

WEAKNESSES

Absence of independent tertiary education in the field

Over-influence by vested interests

Associations whose certificates are based on vendor or category "partners"

Illiterate but popular "CX Thought Leaders" and "CX Influencers" distributing unfounded theories

OPPORTUNITIES

Independent educational providers at tertiary standard

High levels of malpractice leading to corporate profit erosion sets a strong commercial agenda for the industry

THREATS

Ill-advised academic and industry partnerships that provide false legitimacy to unfounded practice

Misplaced concepts from 'digital marketing' population that pose risk to the customer asset

Direct vendor certificates as default proxy

Conclusion and Industry Recommendations

The Field Bell Institute was established to explore differing elements of effectiveness in the customer management field. However, we disclose that the findings of this research have been the catalyst for the formation of our educational program. All research was taken agnostically at the time, and the recommendations that follow remain intact.

No industry or vocation can function with vested interests dominating its prevalent practices, without serious compromise to that occupational system. The common "CX" movement has been wholly infected by technology category interests, which are in turn amplified through their consulting and association relationships. Wholesale management illiteracy demands industry reform.

TAKEAWAYS

#	Recommendations	Priority
1	The industry to support an independent educational infrastructure, that it does not seek to control by way of curriculum or developmental content.	HIGH
2	Participants to abandon vendor-based "management" training, and Association-supplied training not underpinned by an established academic body, with independent curriculum.	HIGH
3	Consultancies and other members of the ecosystem to ensure that only formally trained advisers are deployed on customer projects. The market to demand the same.	MEDIUM
4	Vendors to require all product development teams to be qualified (market forces will dictate once higher literacy is achieved)	LOW

Thank you

THE FIELD BELL INSTITUTE WAS FORMED IN 2023 AS A RESEARCH BODY IN THE CUSTOMER MANAGEMENT DOMAIN.

IT IS NOW THE ONLY MBA-LEVEL EDUCATION PROVIDER IN THE FIELD, OFFERING BOTH MANAGEMENT AND TECHNOLOGY PROGRAMS.

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[iv] Bruce Temkin and Moira Dorsey, "Bad CX Puts $4.7 Trillion in Global Consumer Sales at Risk," XM Institute, February 8, 2022. https://www.xminstitute.com/blog/bad-experiences-risk-sales/.
[v] https://www.mi-3.com.au/02-07-2024/mi3-launches-fy2025-marketing-customer-benchmarks-105-companies-3bn-marketing-spend-0
[vi] https://www.roberthalf.com/us/en/insights/research/data-reveals-which-marketing-and-creative-roles-are-in-highest-demand
[vii] https://www.statista.com/statistics/1285211/change-in-employment-for-advertising-promotions-and-marketing-managers-us/
[viii] https://www.hostinger.com/tutorials/digital-marketing-statistics
[ix] As more technology investment is applied, the effective productivity of workers goes down instead of up