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Diagnosing the systemic GAPs in Customer Experience Management: A three-dimensional assessment model from the Georgian insurance sector

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Abstract: As insurance markets mature and product offerings become increasingly commoditized, Customer Experience (CX) has emerged as a key strategic differentiator. Yet, in many organizations - particularly within developing markets - CX remains managed through fragmented initiatives rather than structured, system-level approaches. This study develops and applies a three-dimensional CX diagnostic model to evaluate alignment between employee perceptions, the maturity of internal CX systems and actual customer experiences in Georgia's insurance sector. The model was piloted within a leading insurance company and validated through broader industry research involving multiple insurers, employees, and customers.

The three dimensions of the model are:

1. **Customer Centricity Perception Index (CCPI)** - gauging employee perceptions of the organization's customer orientation.
2. **Customer Centricity Diagnostic Index (CCDI)** - assessing the maturity and coherence of CX systems across ten organizational pillars.
3. **Customer Perspective Index** - capturing customers' direct evaluations of these same pillars to enable internal-external comparison.

Methodologically, the research integrates mixed methods. Qualitative data were gathered through in-depth interviews with 26 department heads and three focus groups involving over 30 employees, uncovering cultural enablers and barriers to CX. Quantitative surveys were then administered to 187 employees of the pilot company and later to 245 employees from two additional insurers. Parallel customer surveys (n = 100) provided the external perspective. The ten CX pillars assessed included Service Mission, Service Leadership, CX Onboarding, Service Empowerment, Customer Understanding, CX in Motivation Systems, Competitive Advantage, Customer Pain Point Management and Internal CX.

Findings revealed a significant perception-to-reality gap. In the pilot company, CCPI scored 71%, while CCDI reached only 45%, producing a -26 percentage point gap. Sector-wide results were similar, with CCPI at 64% and CCDI at 47%. The lowest-performing pillars - CX in Motivation Systems, Service Empowerment, CX Onboarding and Customer Pain Point Management - indicate that while employees believe their organizations value customers, operational systems do not sufficiently support empowered, customer-focused service delivery.

Customer perspectives were markedly more critical. Only 5% of customers perceived their insurer as genuinely customer-centric, compared to 67% of employees. Across most pillars, customers rated performance significantly lower, with the largest gaps in Competitive Advantage (-24%), CX in Motivation System (-22%) and Customer Understanding (-11%). This misalignment signals that internal optimism is not translating into externally visible, trust-building experiences.

The research confirms the diagnostic model's robustness in identifying CX maturity gaps and provides actionable insights for industry-wide improvement. Key recommendations include: embedding CX into performance management and incentives; strengthening onboarding with a focus on service culture; empowering employees with decision-making authority; and treating customer feedback as a strategic driver, not merely a problem-resolution tool.

The study also emphasizes the influence of Generation Z's emerging consumer expectations, characterized by demands for speed, transparency, personalization, and ethical engagement. For insurers, meeting these demands requires not only process improvement but also cultural and systemic transformation.

This work contributes both theoretically and practically by offering a validated, scalable diagnostic framework for CX maturity assessment that can be applied beyond the insurance sector to other service industries. Future research directions include cross-sector applications, longitudinal studies to measure progress over time, and exploration of digital and AI tools in closing CX perception gaps. Keywords: Customer Experience, Diagnostic Model, Employee Perception, Georgia, Insurance

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Introduction

Customer Experience (CX) has emerged as a vital strategic differentiator in both academic and business spheres. In financial services, CX quality is directly linked to customer loyalty and profitability (Gao et al., 2020).

Managing CX effectively requires alignment across all stages of the customer journey - pre-purchase, interaction, and post-purchase (Schwartz et al., 2018). This is particularly relevant in Georgia's insurance sector, which has shown strong financial growth and increasing policy adoption but still lacks systematized customer-centric practices. As competition intensifies and Generation Z demands personalization, trust and speed CX maturity becomes a critical business imperative.

Despite CX's strategic positioning, few studies assess how well internal systems and employee perceptions align with customer experience. This paper addresses that gap through a three-dimensional diagnostic model that evaluates: 1. employee perceptions of CX priorities, 2. internal system maturity across ten CX pillars, and 3. customers' direct experiences. The research aims to answer three key questions:

- Do employee perceptions align with CX system maturity?
- How do customer perspectives compare to internal assessments?
- Can a structured diagnostic model support broader CX maturity analysis?

The article is structured as follows: Section 1 reviews relevant literature; Section 2 analyses Georgian Insurance Market; Section 3 presents the research methodology; Section 4 discusses the findings and Section 5 outlines implications and provides conclusion and recommendations.

Literature Review

CX has become an important concept over the past three decades, both in academic literature and business practice. The term originates from the mid-1990s, when Carbone and Haeckel's (1994) work described "customer experience engineering" aimed at evoking positive emotions in customers. Pine and Gilmore's (1998) paper further elaborated on the "experience economy," defining it as the fourth stage of economic progress following the economies of commodity, products and services.

Experts define CX as a multidimensional concept that encompasses the following aspects of the relationship between a customer and a company: rational, emotional, sensory and physical (Gentile et al., 2007). The combination of these aspects shapes the perception of satisfaction with the experience, which translates into added value for the customer and serves as a precondition for healthy business growth.

Research has demonstrated that the quality of customer experience significantly impacts a company's profitability, particularly in the financial services sector (Gao et al., 2020). However, due to its multidimensional nature (Gentile et al., 2007), managing customer experience is a highly complex matter, further complicated by the fact that a customer's journey with a company does not begin or end with the mere acquisition of a service or product. CX management includes three stages of the customer journey: the "pre-purchase phase" (Anticipation), the "purchase phase" (Interaction), and "post-purchase service" (Afterglow) (Schwartz et al., 2018). It is noteworthy that, according to a study by the American creative agency Lippincott (2018), customers are naturally happiest during the first phase - the "pre-purchase phase"- without additional effort from the company. This is when the customer engages in imaginative thinking and forms positive expectations about the product or service they are about to purchase. For example, when a customer decides to buy a new car, they think about how cozy and comfortable their new car will be, rather than how the insurance process will unfold. After the first phase, the customer's level of happiness naturally declines, meaning that, to at least maintain the existing level of satisfaction, companies need to meet customers' pre-formed expectations during the "purchase" and "post-purchase" phases. But, to create the best possible experience and stay ahead of competitors, companies must put in additional effort and exceed customer expectations.

Studies from various experts confirms that achieving alignment with these factors requires companies to have a customer experience management strategy. According to research, companies with a well-defined customer experience management strategy (CXM) increases sales by 17% compared to those that do not prioritize CX (Wetzels & Wetzels, 2023).

In the insurance sector, the emotional weight of customer interactions and the intangible nature of services make trust and empathy central to the experience. Ansari and Riasi (2016) demonstrated, using neural network modeling, that trust, service quality, and empathy are the strongest predictors of customer satisfaction, while satisfaction itself most strongly influences loyalty. Their findings emphasize the need for emotionally intelligent systems and human-centric service delivery in insurance.

Gao et al. (2025) expand this understanding by conceptualizing the customer expansion journey and identifying four key dimensions of experience that influence long-term loyalty: recency, peak, trend and fluctuation. Their study highlights that stable, positive emotional trends and memorable service peaks are more important than static satisfaction levels in predicting future engagement and repurchase.

The importance of digital touchpoints in customer experience has also grown substantially. Akhavan and Hassannayebi (2024) introduced a hybrid machine learning framework combined with process analytics to predict customer dissatisfaction in online insurance services. Their model achieved over 98% accuracy and demonstrated the effectiveness of using digital behavior patterns to anticipate CX risks and trigger proactive interventions. Complementing this, Liao et al. (2025) proposed a novel approach using physiological data - such as EEG, skin temperature and heart rate - to classify emotional states in real-time. Their findings offer a promising direction for insurers seeking to diagnose emotional responses during stressful interactions like claims or complaints, enhancing their capacity to respond empathetically.

Systemic biases and ethical ambiguity also affect CX delivery. Tseng (2017) found that insurance agents are less inclined to serve high-risk customers due to a lack of ethical reinforcement and unclear institutional guidance. This highlights the importance of formal policies and systemic structures that support inclusive and equitable service behaviors among employees.

Health insurance research in developing contexts echoes similar themes. Huque, Abdullah, and Mahmud (2025) identified several key determinants of satisfaction in Bangladesh's insurance sector, including short wait times, benefit transparency, and availability of services. Their research reinforces the broader point that customer satisfaction is driven not only by individual touchpoints, but also by the clarity, consistency, and perceived fairness of service systems.

Together, these studies support the relevance of a structured diagnostic model for assessing customer experience. They emphasize the need for a three-dimensional approach that simultaneously captures employee perception of customer orientation, the maturity of supporting internal systems and the lived experiences and feedback of customers. By triangulating these dimensions, companies can systematically detect and address strategic gaps-moving from aspirational CX slogans to tangible, customer-centric performance.

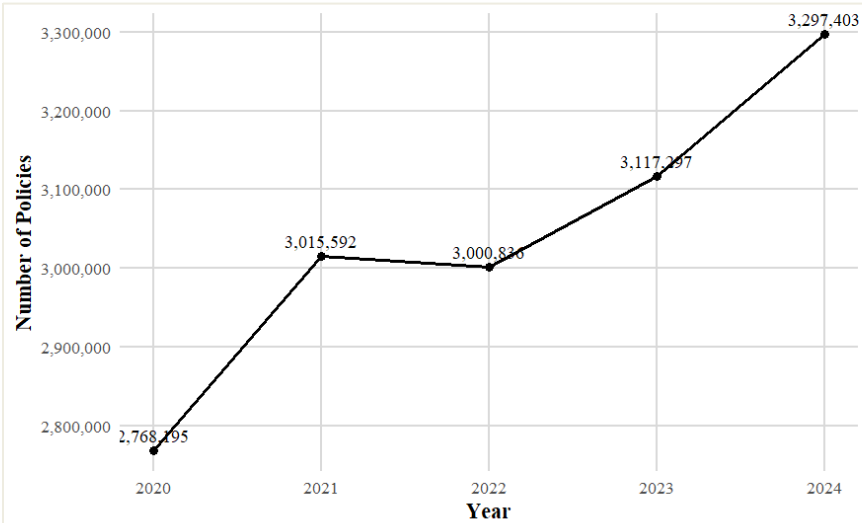
The development of a CXM strategy is significantly influenced by the preferences of specific generations of customers. The increasing activity of Generation Z in the consumer market has significantly changed perceptions of service quality. This digital first generation is shaping new business requirements by emphasizing authenticity, personalization and ethics. They are not just consumers but activists who force brands to maintain high ethical standards and ensure improved customer experience (McKinsey & Company, 2018; Fromm, 2023; Deloitte, 2020).

Georgian Insurance Market's Overview

Georgia's insurance market has demonstrated steady and measurable growth over the past five years, both in terms of coverage and financial performance. The number of active insurance policies increased from approximately 2.77 million in 2020 to over 3.29 million by the end of 2024 (Figure 1), reflecting rising public engagement and penetration in the market. Correspondingly, net earned premiums rose from 489.9 million GEL in 2020 to 843.3 million GEL in

2024, marking a 72% increase over four years - an indicator of growing trust and usage of insurance products (Insurance State Supervision Service of Georgia, 2025)

Figure 1: Annual Number of Insurance Policies Issued[1]



This positive trajectory is also evident in profitability. According to the 2024 report by the Insurance State Supervision Service of Georgia, the sector's insurance profit grew from 248 million GEL in 2023 to 307 million GEL in 2024, while net profit rose from 74 million GEL to 127 million GEL, representing a 72% year-over-year increase.

As of the end of 2024, Georgia's insurance sector comprised 19 licensed insurance companies, however, the market remains highly concentrated among few dominant players. Companies such as GPI Holding, TBC Insurance, Irao, Ardi, Aldagi, and Imedi L command substantial market shares across key segments including health, motor and property insurance. This concentration intensifies competition within these high-volume categories, where differentiation on product alone is increasingly difficult.

With consistent growth in both policy uptake and premium volume - alongside the increasing presence of dominant players - Georgia's insurance sector is evolving into a more mature and competitive market. This transformation highlights an urgent shift: while product portfolios expand and financial indicators strengthen, the next frontier of differentiation lies in CX. Notably as Gen Z emerges as a key consumer segment with higher expectations in personalization, digital convenience, speed and transparency.

Research Methodology

This research used a mixed-method approach, combining a case study of a leading Georgian insurance company - with internal surveys and in-depth interviews - with broader quantitative surveys among insurance employees and insured customers across Georgia.

Case study approach research methodology

This approach applied a case study methodology to assess the maturity and operational coherence of CX systems within a leading Georgian insurance company. The diagnostic process was based on a structured CX strategic management model developed by CX Hub, a Georgia-based customer experience research and consulting agency, co-founded by the authors of the study, allowing for direct involvement in both model development and research implementation over the course of 2023-2024.

[1] Source: Own Elaboration based on Insurance State Supervision Service of Georgia, 2025

The diagnostic model used in the case study was developed by CX Hub based on leading customer experience practices and tailored specifically to the Georgian market context. It focuses on ten key organizational pillars that define customer-centric maturity and system-level enablement within companies. These include: Customer Centricity Culture, Service Mission, Service Leadership, CX Onboarding, Service Empowerment, Customer Understanding, CX in Motivation Systems, Competitive Advantage, Customer Pain Point Management and Internal Customer Experience, and their systemic support mechanisms.

To evaluate these dimensions, the study used a mixed-method approach, integrating both qualitative and quantitative data collection within the company.

Qualitative Component

The qualitative phase aimed to identify how customer-centric practices and

behaviors are embedded across the organization, as well as to surface internal challenges and enablers. Two methods were employed:

- In-depth interviews with 26 department heads across sales, claims, service quality, IT, HR, marketing, legal, underwriting and operations.
- Three focus groups involving over 30 front-line and back-office employees, directly engaged in customer interactions.

The qualitative data were transcribed and thematically analyzed. Key insights were used to inform the CX diagnostic model and support the development of the organization's CX strategy.

Quantitative Component

The quantitative component focused on measuring employees' perceptions of customer centricity and evaluating the presence and effectiveness of CX systems within the organization. Two indexes were developed and applied:

- Customer Centricity Perception Index (CCPI) - captured through a single statement (CX Pillar number 1: Customer Centricity Culture) measuring employees' belief that customer care is the company's top strategic priority.
- Customer Centricity Diagnostic Index (CCDI) - measured through the rest of 9 CX pillars translated into structured diagnostic statements (Table 1).

The survey was conducted online and completed by 187 employees out of a total workforce of 320, resulting in a response rate of 58%. All items were assessed using a 7-point Likert scale, where 1 indicated strong disagreement and 7 indicated strong agreement. In line with the Net Promoter Score (NPS) methodology, responses were categorized into three segments: Promoters (score 7), Neutrals (scores 5-6), Detractors (scores 1-4) and the final score for each statement has been calculated by measuring the percentage difference between Promoters and the Detractors.

A gap analysis was conducted between the CCPI and CCDI scores to identify discrepancies between perceived customer-centric culture and the maturity of supporting systems. This completed the multi-step diagnostic process, which integrated qualitative interviews, focus group discussions and a structured quantitative survey.

Together, these methods provided a comprehensive understanding of how CX systems were perceived, structured and operationalized within the company.

Insurance sector employees and insured customers research methodology

To validate the diagnostic model's scalability and cross-check whether the identified gaps reflected broader industry patterns, we extended our research beyond the pilot. A wider quantitative study was launched involving employees from other insurance companies as well as end customers. This second phase aimed to examine if similar systemic gaps were present across the sector and, importantly, to incorporate the customer's perspective - providing a more holistic view of customer experience maturity.

Quantitative survey-based study was conducted between May and June 2025. The research aimed to measure perceptions of customer centricity among both employees of leading insurance companies and insured customers in Georgia.

*Survey Design and Structure*The survey instrument was structured around the same ten core CX pillars, mirroring the framework used in the case study diagnostic. For each pillar, two sets of mirrored statements were developed - one from the employee perspective and one from the customer perspective - with the goal of enabling direct comparison (Table 1).

The first statement for both groups assessed overall customer centricity perception (CCPI), while the remaining nine statements corresponded to each of the nine operational CX pillars (CCDI).

Table 1: CX pillars and corresponding statements[2]

CX pillar	Employee perspective statements	Customer perspective statements
CCPI	I believe that customer care is considered a strategic priority at all levels of my company and is reflected in our daily operations.	I believe that this company treats care for me as a customer as its number one strategic priority.
Service Mission	I feel that the company's mission - focused on customer care - is not only reflected in communication, but also in actions and everyday practices.	This company consistently delivers on its promises and aligns its actions with its declared mission.
Service Leadership	I believe that company leadership genuinely cares about the customer experience and actively supports us in delivering quality service.	Every interaction reassures me that this company's leadership truly values delivering high-quality, customer-focused service.
CX Onboarding	The company's onboarding process and training effectively prepare employees at all levels to serve customers professionally.	I feel that every employee, regardless of role, has the necessary skills and knowledge to serve me at a high standard.
Service Empowerment	I have the trust and authority from the company to make quick decisions in the best interest of the customer.	I feel that employees have the delegation and trust needed to make fast, customer-focused decisions.
Customer Understanding	I believe the company dedicates enough time and resources to deeply understand customers' real needs, emotions, and expectations.	I feel that the company truly understands me - my needs, emotions, and expectations.
CX in Motivation System	The current motivation and recognition mechanisms increase my desire to focus on real customer needs - not just sales results.	I feel that employees are more focused on understanding my needs and creating a good experience than on simply selling products or services.
Competitive Advantage	The company constantly strives to exceed customer expectations through innovation and service excellence to differentiate itself in the market.	The company consistently tries to exceed my expectations and offer the most distinctive products and services in the market.

[2] Source: Own Elaboration, 2025

Customer Pain Point Management	There are well-functioning processes and support units that enable timely and effective resolution of customer problems.	I believe the company takes customer problems seriously and responds to them promptly and effectively.
Internal Customer Experience	Teams and departments work closely and in coordination toward shared goals, which ensures the creation of seamless and consistent customer experiences.	I feel that employees in this company work effectively and in coordination to deliver smooth and consistent service to customers.

Full transcripts of original questionnaires are provided in Appendix B.

Sample and Data Collection

The study engaged two respondent groups:

- Employees: A total of 245 employees from two of Georgia's leading insurance companies participated. Survey distribution was coordinated directly through corporate contacts. The CX Hub research team shared the survey with company representatives, who then internally distributed it among employees across departments.
- Customers: 100 insured customers were surveyed. The survey was disseminated through CX Hub's official social media channels, using organic and targeted reach to ensure diversity in respondent profiles across age, gender and insurance product usage.

Survey Limitations

The survey was conducted during a period of heightened political tension in Georgia, which significantly limited public engagement. Due to the sensitive socio-political climate, there was minimal opportunity to actively promote the research or encourage broader participation, particularly among the customer segment. As a result, while the findings provide valuable directional insights, the sample may not fully capture the diversity of perspectives across the wider market from customers perspectives. However, the results still offer meaningful insight into key trends and provide a clear directional understanding of the most pressing CX challenges.

Data Analysis Approach

All collected responses were quantitatively analyzed using descriptive statistics. Unique statement scores have been calculated with NPS methodology and aggregated by pillar to compute the CCPI and CCDI across both employees and customers. Comparative analysis was used to identify alignment or gaps in perception between the two stakeholder groups. In addition to internal comparisons, the results were benchmarked against insights from the previously assessed pilot company.

Sample and sampling strategy

Pilot company sample size: The qualitative component covered the pilot organization's full departmental structure through focus groups and 26 in-depth interviews, including 19 representatives from the non-medical insurance line and 7 from the medical insurance line. The quantitative component comprised an employee survey completed by 187 employees out of a total workforce of 320 (58.4% response rate). As an indicative precision estimate (assuming $p=0.5$ and a 95% confidence level), this achieved sample size corresponds to an approximate ±4.6 percentage-point margin of error after applying a finite population correction ($N=320$); however, given that participation was not necessarily based on a strict probability-sampling design, this figure should be interpreted as an estimate of sampling precision rather than a definitive inferential guarantee. The second stage of the study relied on voluntary participation of insurance company employees and customers. As the exact size of the underlying populations was not available and participation followed a self-selection mechanism, a conventional margin of error was not calculated. In line with methodological guidance for non-probability sampling, the results are interpreted as indicative and exploratory rather than strictly inferential. Analytical rigor was ensured through attention to sample diversity, internal consistency of responses, and convergence of findings across respondent groups. Accordingly, this stage of the study serves to assess the robustness and practical relevance of the proposed model, rather than to generate population-level estimates, with generalization framed analytically based on the consistency of observed patterns across data segments.

The sampling size of the pilot company's qualitative component was determined by the principle of purposiveness and maximum-variation, so that the study covered the entire structure of the pilot organization and both main business lines. In-depth interviews and focus groups were conducted with representatives of all departments from the non-medical insurance line and the medical insurance line, ensuring a wide range of functional processes, challenges and perceptions. Such a spread increases the reliability of the qualitative findings, as it allows for comparisons across departments and helps to achieve thematic "saturation" - the point at which additional interviews no longer yield materially new analytical insights.

In the case of the quantitative component, the target population of the employee survey was the entire organization (N=320) in order to obtain organization-level assessments and, where necessary, comparisons between units and lines. The 187 responses received (58.4% of the total staff) represent significant coverage for a small, fixed population and provide a relatively stable aggregated picture of standardized assessments. Although participation was voluntary, the volume of responses achieved is sufficient to draw descriptive conclusions within the organization and to triangulate with qualitative evidence, strengthening the internal validity and robustness of the findings.

Ethical considartions

Informed consent was obtained from all participants prior to data collection. At the beginning of the online survey, respondents were presented with a consent statement explaining the purpose of the research, the institutions conducting the study and the intended academic use of the collected data. Participation was voluntary and anonymous and no personally identifiable data were collected or processed. Proceeding with the survey was considered as providing informed consent. The full consent statement is provided in Appendix A.

Internal Bias Control and Data Quality Assurance

To reduce internal biases in the data, the study pre-defined several control mechanisms for verbal, textual and visual material. First, triangulation was used - assessing the same issue using different sources/methods (e.g., interviews, focus groups, surveys) to ensure that the influence of one channel or one group did not become decisive. In the case of verbal data, interviews were conducted with a semi-structured guide and neutral wording. If necessary, the notes were transcribed so that the analysis could be based on what was actually said and not on the researcher's impression. In the quantitative part, a unified 7-point likert scale and NPS logic were used: Responses were categorized as promoters (6-7), passives (4-5), and detractors (1-3), after which NPS was calculated as the difference between the % of promoters and the % of detractors. Anonymity and voluntary participation were ensured for text data to reduce the effect of social desirability. These predefined rules reduce the researcher's subjective intervention in calculating and interpreting the results. In visual presentation, graphs were prepared with consistent scales and unified logic and results were shown in full (not just "good" indicators) to reduce the risk of selective visualization.

Research Findings

Case study approach findings

A comprehensive evaluation of customer centricity within the pilot insurance company revealed a significant disconnect between employee perceptions and the actual maturity of CX supporting systems. While the Customer Centricity Perception Index (CCPI) was calculated at 71%, indicating high internal confidence in the company's customer-oriented culture, the Customer Centricity Diagnostic Index (CCDI) scored only 45%, resulting in a -26% point gap (Figure 2). This misalignment suggests that although employees express strong belief in the company's strategic focus on the customer, the organizational systems and processes do not yet validate that belief.

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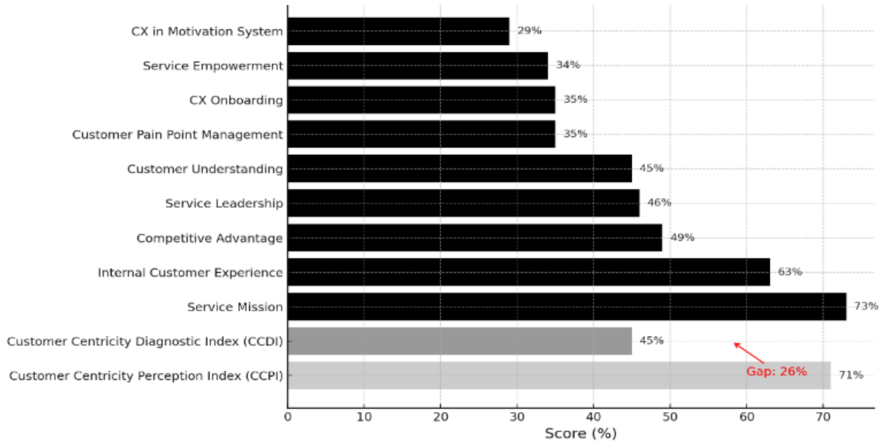
Figure 2: Customer Centricity Diagnostic & Perception Index GAP[3]



The lowest-scoring pillars - CX in Motivation System, CX Onboarding, Service Empowerment and Customer Pain Point Management - reflect critical areas where employees perceive systemic weaknesses in the organization's ability to deliver a consistently customer-centric experience. These findings were further substantiated through qualitative interviews and focus groups, which provided critical context to explain the gaps identified in the quantitative data:

- CX in Motivation System

The low index score of 29% for the CX in Motivation System pillar is supported by qualitative data pointing to a dominant sales-oriented culture, with little systemic reinforcement of customer-centric behaviors. Interviews with employees revealed that

motivation and recognition mechanisms are perceived as heavily tied to commercial metrics - such as profitability, loss ratio, and sales volume - rather than customer experience outcomes. This feedback underscores the absence of systems that track whether customer needs are genuinely understood or met, raising questions about how well service excellence is incentivized. While some departments use NPS or customer feedback data, these metrics rarely influence broader reward structures or drive strategic employee recognition. As a result, the motivation system may inadvertently reinforce transactional behavior at the expense of lasting customer trust.

- Service Empowerment

Employee responses also raised concerns about empowerment limitations across service delivery functions. Despite scoring 34% in the index, qualitative data reveal that the organization lacks a systemic approach to equipping employees with the autonomy and tools needed to make customer-focused decisions. Interviews indicated that while select teams have access to training (e.g., Service+), the majority of customer-facing staff receive limited or delayed development. Employees noted that service training is often product-centric, irregular and largely delegated to immediate supervisors without structured coaching support. Moreover, current delegation practices for customer issue resolution, pricing, or document approvals are perceived as fragmented and inconsistent across departments. As one employee commented, “We technically have delegation rights, but in reality, most decisions must still go through several approval layers, which slows everything down.” These insights reflect a broader disconnect between customer-centric intent and operational enablement, especially in high-pressure frontline contexts.

- CX Onboarding

The low score of 35% on the CX Onboarding pillar is reinforced by qualitative findings that highlight structural and cultural gaps in the employee integration process. Interviews revealed that onboarding is largely remote and delayed, with minimal early engagement from leadership or exposure to customer experience principles. Employees noted a lack of structured service culture training and inadequate methods to assess cultural fit during hiring. Furthermore,

[3] Source: Own Elaboration, 2025

new hires, especially in back-office roles, are rarely exposed to customer-facing realities, leading to poor empathy and coordination. These insights suggest that onboarding processes currently do not foster a shared, customer-centric mindset across the organization.

- Customer Pain Point Management

The Customer Pain Point Management pillar received a low score of 35%, highlighting a systemic weakness in the organization's ability to identify, prioritize, and resolve service failures in a structured, cross-functional manner. While formal complaint handling procedures exist, qualitative insights reveal that issues are often perceived merely as "claims" or "complaints," rather than signals of deeper customer pain. This framing fosters a defensive mindset among staff and limits empathy-driven resolution efforts.

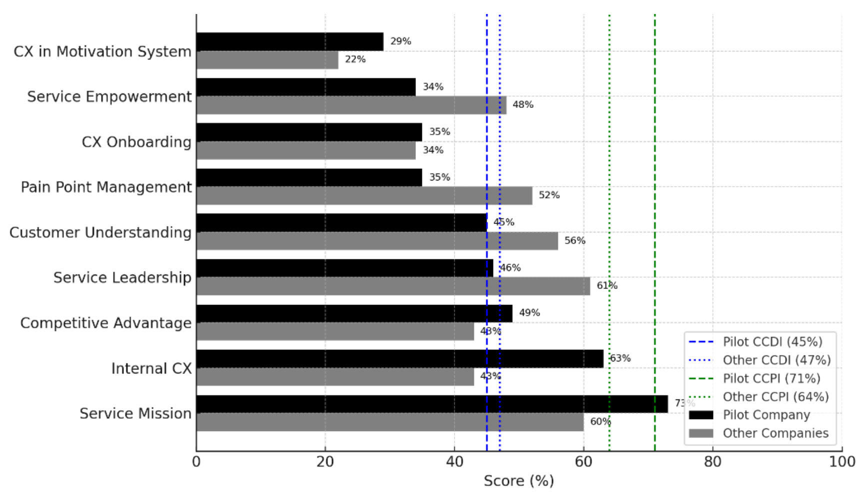
Operationally, the company lacks a centralized system for aggregating customer feedback and pain points across channels. Insights collected through calls, emails, or surveys are handled manually, fragmented across departments with separate CRMs, and routed via email. Furthermore, there is no standardized methodology to evaluate the urgency or impact of customer issues, which means resolution decisions often rely on subjective judgment rather than structured risk assessment.

To summarize, the diagnostic results highlight a meaningful gap between the company's aspiration to be customer-centric and the operational reality experienced by employees. While team members believe in the company's intention to prioritize customer experience, they face clear limitations in terms of systems, tools, and support that would enable consistent and empowered service delivery. In response to these findings, a total of 71 CX project initiatives have been identified across the core pillars, which formed the strategic foundation for building a more systemically supported, scalable, and measurable customer experience practice across the organization.

Insurance company employees research findings

The aggregated results from two leading insurance providers reveal key patterns in the state of customer centricity across the sector. The CCPI resulted in 64% when CCDI averaged 47%, indicating that while customer focus is acknowledged as a strategic priority, its consistent implementation across internal systems and operations is still developing (Figure 3).

Figure 3: Research Results: Pilot company vs. other insurance companies'[4]



The lowest-performing pillars were: CX in Motivation System (22%), which highlights a critical lack of alignment between employee incentives and customer-focused behaviors. This suggests that most organizations still prioritize sales performance over genuine customer value creation; CX Onboarding (34%), showing

[4] Source: Own elaboration, 2025

insufficient investment in preparing new employees with the necessary tools and mindset to deliver meaningful customer experiences from day one.

Conversely, relatively stronger scores were seen in: Service Leadership (61%), pointing to visible engagement from top management in championing CX priorities and Service Mission (60%), reflecting a generally clear communication of the organization's customer commitment, though not always matched by execution. However, mid-level scores in areas like Competitive Advantage (43%) and Internal CX (43%) imply that many companies still struggle to differentiate on CX and to foster seamless collaboration across teams for unified service delivery.

Comparison of pilot and other insurance companies' research findings

When comparing these findings to the pilot company, several important insights emerge. The CCDI scores are nearly identical (47% vs. 45%), reinforcing the robustness of the measurement model and its ability to consistently capture CX capability gaps across diverse contexts (Figure 3). However, the CCPI was significantly higher in the pilot company (71% vs. 64%). This may reflect contextual bias, as employees in the pilot organization were aware of the diagnostic process and may have been influenced by social desirability or internal pressure to demonstrate customer-centric alignment.

Looking at pillar-level alignment:

- The same critical weak spots persist across companies, especially in CX in Motivation System and CX Onboarding - highlighting sector-wide issues in aligning employee incentives and preparing staff with the right mindset and skills to deliver customer-focused service from the start.
- Service Empowerment and Pain Point Management were also low-performing pillars in both groups, further validating their importance as key levers for future CX improvement.

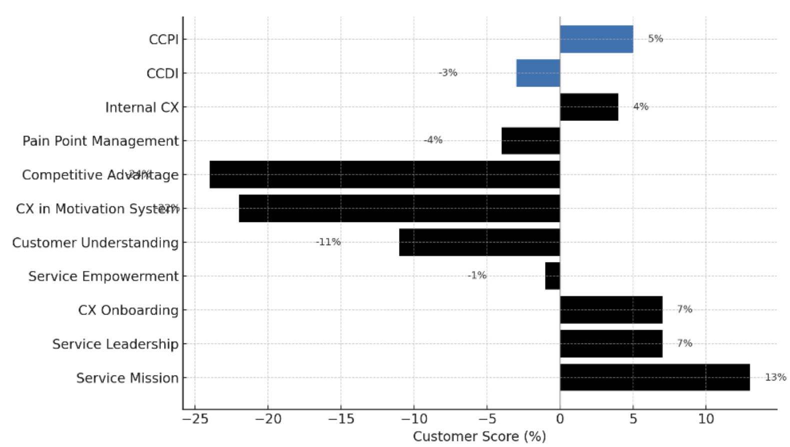
These comparisons not only confirm the diagnostic model's credibility but also offer a strategic map for targeted interventions - both within the pilot company and across the industry.

Insured customers' research findings

To complement the internal perspective, the study also captured how customers themselves perceive the company's customer centricity. This external lens is essential to understanding whether internal intentions and structures translate into meaningful experiences for clients. The following section presents the Customer Perspective results across all CX pillars and compares them with the company's internal view to highlight alignment - and reveal blind spots.

Despite the companies' internal confidence, customers are not convinced: only 5% perceive their insurer as truly customer-centric, in sharp contrast to 67% reported by employees (Figure 4).

Figure 4: Customers Perspective on CX strategy pillars [5]

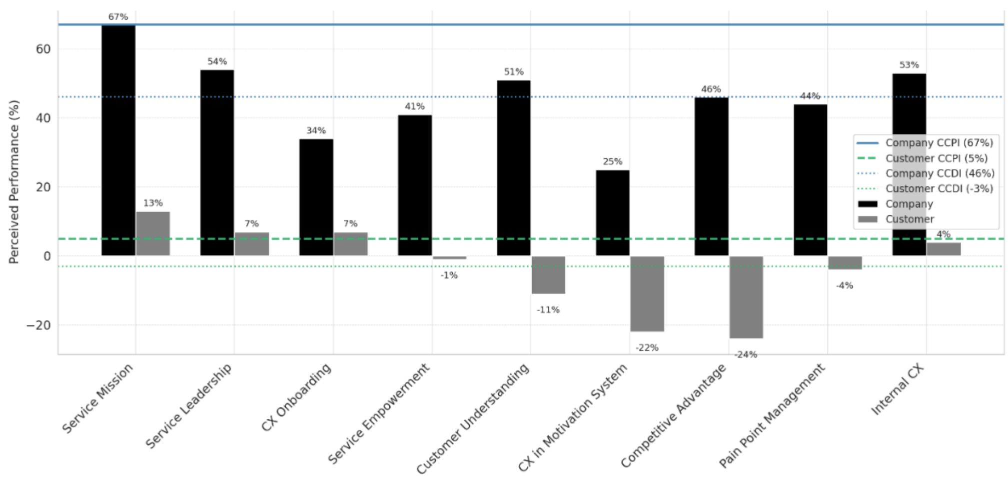


[5] Source: Own elaboration, 2025

This striking misalignment calls into question the real-world effectiveness of customer-centric strategies and reveals a gap between internal perception and external reality.

Across key pillars, this disconnect becomes even more evident. A closer examination of individual CX pillars reinforces this misalignment. Customers assign negative or near-zero evaluations across nearly all pillars, indicating that the core components of CX strategy are either underdelivered or insufficiently visible from the customer standpoint (Figure 5).

Figure 5: Customer vs Company perceptions across CX strategy pillars [6]



The most critical perceptual gaps are observed in the following areas:

- Competitive Advantage (-24%): Despite organizational confidence in delivering innovative, market-leading services, customers do not perceive these efforts as distinctive or value-enhancing.
- CX in Motivation System (-22%): This pillar demonstrates the most significant disconnect between company perceptions and customer experiences. While companies acknowledge some internal shortcomings - evidenced by the lowest internal score across all pillars - customers view the issue even more critically. The -22% result suggests that incentive and recognition mechanisms aimed at promoting customer-centric behavior are either poorly communicated to customers or fail to manifest in observable frontline actions. This finding highlights a fundamental breakdown in aligning internal motivation systems with externally visible service outcomes.
- Customer Understanding (-11%): This gap reflects a core weakness in how companies interpret and respond to customer needs. Organizations rated themselves moderately well on this pillar, indicating a belief that they invest effort into understanding customer expectations. However, customers do not share this view. Their significantly lower score suggests that they do not feel genuinely understood - neither in terms of emotional needs nor service expectations. This misalignment signals a failure to translate customer research or feedback into personalized, empathetic service experiences and raises questions about the effectiveness of existing voice-of-customer mechanisms.

These findings underscore a critical challenge: without translating internal ambition into visible, consistent, and emotionally resonant experiences, customer trust and loyalty remain elusive.

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[6] Source: Own elaboration, 2025

Conclusion

In deriving the study's conclusions, an analytical approach was applied to minimize the influence of internal biases and to support a reliable interpretation of the findings. Conclusions were not drawn from isolated responses or singular cases instead, only patterns that consistently emerged across multiple data channels were retained, thereby reducing distortions related to contextual effects or socially desirable responding. Quantitative findings were interpreted using predefined and standardized evaluation metrics, which constrained subjective influence in index construction and limited selective or overly favorable reporting. In the analysis of verbal data, priority was given to recurring themes, convergent arguments across participants and concrete illustrative examples, ensuring that emotionally salient statements did not disproportionately shape interpretation. Visual reporting adhered to consistent conventions, including uniform scales, identical axes and full-range displays, to mitigate selective visualization and reduce the risk of misinterpretation. Study limitations - such as sample self-selection, the defined time frame and pilot-specific organizational characteristics - were taken into account, therefore, recommendations are presented as provisional directions requiring further validation. Generalization to other industries and organizational contexts necessitates additional testing, expanded datasets and periodic verification.

Implications

This research aimed to evaluate the alignment between employee perceptions, internal CX systems, and customer experiences within Georgia's insurance sector using a structured, three-dimensional diagnostic model. The study successfully addressed the three core research questions:

- Do employee perceptions align with CX system maturity? - The findings revealed a consistent optimism among employees regarding customer centricity, which was not substantiated by system maturity scores, indicating a significant perception-to-reality gap.
- How do customer perspectives compare to internal assessments? - Customers' views were markedly more critical than internal evaluations. While employees perceived their companies as largely customer-centric, only 5% of customers shared this view, confirming a serious misalignment.
- Can a structured diagnostic model support broader CX maturity analysis? - The model proved effective in both company-level and sector-wide applications, reliably identifying systemic gaps across ten CX pillars and enabling direct comparisons between internal and external perspectives.

The results confirm that while CX is frequently promoted as a strategic goal, it is rarely operationalized through onboarding, empowerment, pain point management, or motivation systems. This discrepancy exposes companies to reputational risks and undermines long-term loyalty.

Policy and Practice Recommendations

- Institutionalize CX across systems: Embed customer-centricity into training, KPIs, and incentive structures.
- Strengthen onboarding and empowerment: Prepare employees from day one with the tools and autonomy to act in the customer's best interest.
- Treat customer feedback as strategic input: Move beyond complaint resolution toward system-level learning and proactive service recovery.
- Leadership modeling: CX must be driven by example, with leaders consistently demonstrating and rewarding customer-first behaviors.

Directions for Future Research

- Expand the model to other service sectors (e.g., banking, healthcare) for broader validation.
- Include longitudinal data to track changes in CX maturity over time.
- Explore the role of digital tools and AI in closing gaps between internal systems and customer expectations.

In summary, this study underscores a critical truth: without systematic CX management, even the strongest strategic declarations remain unrealized. Georgian insurers exhibit a clear disconnect between perceived customer-centricity and operational readiness - most notably in onboarding, empowerment and feedback systems. As Gen Z reshapes market expectations with demands for speed, transparency and emotional connection, only those insurers who embed CX into every layer of their systems will secure sustainable growth and long-term customer trus

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The authors report there are no competing interests to declare.

The data that support the findings of this study are available from the corresponding author, [NA], upon reasonable request.

Nana Akhobadze, **PhD candidate** is a certified customer experience professional, consultant and researcher specializing in customer and employee experience (CX/EX), organizational culture and service excellence. As the co-founder and managing partner at CX Hub, she has led large-scale transformation initiatives across the public, financial, retail, and healthcare sectors in Georgia. Her consulting expertise lies in designing and implementing CX strategies, experience measurement frameworks and emotional driver-based service models.

She also has extensive academic experience as an invited lecturer in Operations Management in leading Georgian Universities – Business and Technology Unoversity (BTU) and Alte.

With a rich background in applied research, Nana brings over a decade of experience in qualitative and quantitative research methodologies, behavioral insights and human-centered service design. She has directed strategic projects for organizations including the Public Service Hall Georgia, Evex Medical Corporation, TBC Bank, Terabank, World Vision, focusing on experience diagnostics, service operations and service design development.

A frequent speaker and trainer, Nana has designed and facilitated numerous workshops and learning modules on topics such as customer-centric culture, emotional intelligence, service mindset, and CX-led growth.

Natia Jibladze, PhD is an accomplished academic and consultant with expertise in operations and supply chain management, customer experience (CX) systems, and research-driven strategic initiatives. Serving as an Associate Professor at Georgian National University (SEU), she integrates her academic rigor with hands-on experience in entrepreneurship and consultancy. Her research spans sustainability, customer experience management, and economic development, with multiple publications in international journals and conferences, including the Sorbonne-hosted International Conference on Sustainable Development.

As the co-founder of CX Hub, a technology startup, Dr. Jibladze has applied her expertise in designing CX strategies and implementing innovative systems. She has led diverse consultancy projects for organizations such as UNDP, USAID, and World Vision, focusing on evaluation frameworks, customer satisfaction indices, and environmental sustainability. Her technical skills include developing monitoring and evaluation systems, conducting qualitative and quantitative research, and designing customer journey mapping frameworks.

Nino Jgamadze, PhD is an accomplished academic with expertise in business administration, operations management, risk management and financial systems. Serving as an Associate Professor at the University of Georgia's School of Business and Administrative Studies, she integrates her deep academic background in applied mathematics, law and finance with decades of research and teaching experience. Her publications span mathematical modeling, banking sector assessment and economic impact studies. Dr. Jgamadze has also led and contributed to scientific projects on digital competence development, financial information flow modeling and strategic management, bringing both analytical rigor and practical insight to her work in academia and beyond.

The authors report there are no competing interests to declare.

The data that support the findings of this study are available from the corresponding author, upon reasonable request.

Appendix A

Full consent form statement in questionnaire (English translation)

"The study is conducted by CX Hub in collaboration with the University of Georgia and aims to assess the customer-oriented environment across industries in the Georgian market. By participating in this research, you help identify existing challenges in this area and contribute to conveying the voices of both customers and employees to Georgian businesses, with the goal of improving customer experience. Participation in the study is voluntary and anonymous. No personal data will be processed within the scope of this research. The results of the study will be used solely for academic and research purposes. By continuing with the survey, you confirm that you have read the above information and agree to participate in the study."

Appendix B

Full transcripts of original questionnaires (English Translation)

Questionnaire 1: Customers' Survey

A study of customer-centricity in insurance companies

An assessment of customer and employee perceptions

The study is conducted by CX Hub in collaboration with the University of Georgia and aims to assess the customer-oriented environment across industries in the Georgian market. By participating in this research, you help identify existing challenges in this area and contribute to conveying the voices of both customers and employees to Georgian businesses, with the goal of improving customer experience.

Participation in the study is voluntary and anonymous. No personal data will be processed within the scope of this research. The results of the study will be used solely for academic and research purposes. By continuing with the survey, you confirm that you have read the above information and agree to participate in the study.

Select the perspective from which you are evaluating the company:

- I am evaluating from a customer's perspective
- I am evaluating from an employee's perspective

Select the company you are evaluating:

- TBC Insurance
- Imedi L

- Aldagi
- GPI
- Ardi
- Alpha
- Unison
- Euroins
- Other

Pillar Based Customer Questionnaire Statement

As a customer, I feel that caring for me is this company's number one priority and a strategic focus.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

My insurance company demonstrates that caring for customers is part of its mission, both in words and in actions.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

Every interaction shows that the company's leadership genuinely cares about delivering a high-quality customer experience.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

Every employee I interact with, regardless of role, has the necessary knowledge and skills to serve me effectively.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I feel that employees are trusted and empowered to make quick decisions to create the best possible customer experience.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I feel that this company truly understands my needs, emotions, and expectations when providing its services.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I feel that employees focus more on understanding my needs and creating a positive experience than on simply selling products.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

My insurance company consistently strives to exceed my expectations and offer outstanding products and services in the market.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I feel that my insurance company takes customer problems seriously and responds to them promptly and effectively.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I feel that employees in this company collaborate effectively to deliver a smooth and consistent service experience.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I have the impression that my insurance company has an established customer experience management strategy, based on which it operates and makes decisions related to its products/services as well as all other business processes, with full consideration of customer interests.

- Yes, I have the impression that the company has an established customer experience management strategy and operates accordingly.
- I have the impression that the company has an established customer experience management strategy; however, it is followed only to some extent in day-to-day operations.
- I have the impression that the company has an established customer experience management strategy; however, it is hardly reflected in actual operational processes.
- I do not have the impression that the company has an established customer experience management strategy.
- I don’t know / I find it difficult to answer.

How likely are you to recommend this company to a friend or relative?

(0-Not at all likely, 10-Extremely likely)

0	1	2	3	4	5	6	7	8	9	10

Questionnair 2: Employees' Survey

A study of customer-centricity in insurance companies

An assessment of customer and employee perceptions

The study is conducted by CX Hub in collaboration with the University of Georgia and aims to assess the customer-oriented environment across industries in the Georgian market. By participating in this research, you help identify existing challenges in this area and contribute to conveying the voices of both customers and employees to Georgian businesses, with the goal of improving customer experience.

Participation in the study is voluntary and anonymous. No personal data will be processed within the scope of this research. The results of the study will be used solely for academic and research purposes. By continuing with the survey, you confirm that you have read the above information and agree to participate in the study.

Select the perspective from which you are evaluating the company:

- I am evaluating from a customer's perspective
- I am evaluating from an employee's perspective

Select the company you are evaluating:

- TBC Insurance
- Imedi L
- Aldagi
- GPI
- Ardi
- Alpha
- Unison
- Euroins
- Other

Select your role in relation to this company:

- Frontline
- Sales
- Back Office
- Other

CX Pillar Based Customer Questionnaire Statement

I believe that caring for customers in my company is considered a strategic priority at all levels and is reflected in our daily operational processes.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I feel that the company's mission regarding customer care is reflected not only in communication but also genuinely expressed through actions and everyday operations.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I believe that the company's management truly cares about customer experience and actively supports us in delivering high-quality service.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

The onboarding process and training implemented in the company thoroughly prepare employees at all levels to serve customers professionally.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I have trust and authority from the company to make quick decisions based on the customer's best interests.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

I believe that within the company we invest sufficient time and resources to better understand customers' real needs, emotions, and expectations.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

The company's motivation system and recognition mechanisms increase my motivation to focus on customers' real needs rather than solely on sales.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

The company consistently strives, through innovative approaches and services, not only to meet but to exceed customer expectations in order to achieve market differentiation.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

Appropriate processes and supporting departments function effectively to ensure timely and efficient responses to customer problems.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

Teams and departments within the company collaborate closely and in a coordinated manner toward shared goals, which is reflected in the creation of a seamless and consistent customer experience.

(1-Not at all likely, 7-Extremely likely)

0	1	2	3	4	5	6	7

My company has an established customer experience management strategy that guides its operations and decision-making across products/services as well as all other business processes, with full consideration of customer interests.

- Yes, the company has an established customer experience management strategy and operates accordingly.
- The company has an established customer experience management strategy; however, it is followed only to some extent in day-to-day operational processes.
- The company has an established customer experience management strategy; however, it is hardly reflected in actual operational processes.
- The company does not have an established customer experience management strategy.
- I don’t know / I find it difficult to answer.

How likely are you to recommend this company as a place of employment to a friend or relative?

(0-Not at all likely, 10-Extremely likely)

0	1	2	3	4	5	6	7	8	9	10

Appendix C

Author Biographies

Author a: Nana Akhobadze is a PhD candidate in Business Administration and a Customer Experience (CX) practitioner and researcher. Her research interests focus on the systemic management of customer and employee experience and service culture development. She is the co-founder and managing partner of CX Hub, where she leads CX diagnostics and transformation projects. Her academic and practical work focuses on identifying and reducing the gap between perceived and actual CX in organizations by developing data-driven CX solutions.

Author b: Natia Jibladze, PhD, is an associate professor and researcher, whose main research interests are strategic management of customer experience, performance metrics and process optimization. She combines academic work with practical work as a CX systems lead and co-founder of CX Hub. Her research is based on quantitative and qualitative methods and aims to institutionalize customer-centric management at the organizational level.

Author c: Nino Jgamadze is a PhD in Business Administration and associate professor, whose research interests include operational and financial systems analysis, quantitative modeling, risk management and evidence-based decision-making. Her academic background combines business and finance. Nino Jgamadze’s research focuses on the assessment of complex systems and the use of analytical models in the context of management and strategic development.