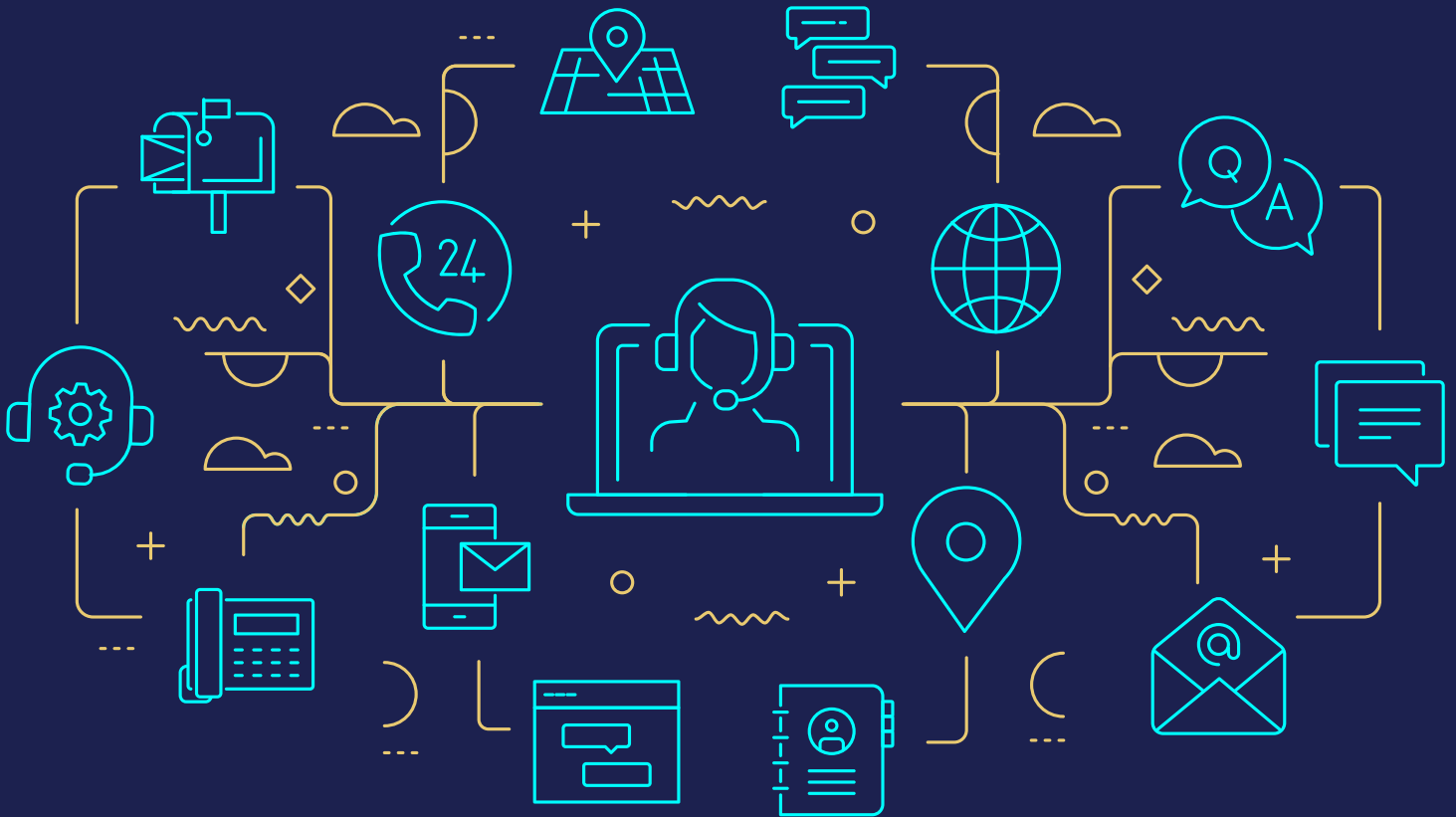


MARKET STUDY

STATE OF CONTACT CENTER TECHNOLOGY



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INTRODUCTION

Sometimes, what is meant to help ends up creating more problems. What is meant to be the answer ends up spurring more questions.

This reality is all too applicable to contact center technology. Solutions that are supposed to empower employees have long prevented them from meaningfully connecting with customers. They have long extended average handle times and compounded frustration. They have long been a reason why contact centers *could not* keep up with modern trends.

The COVID-19 pandemic threatened to exacerbate this challenge. If technology prevented agents who worked in the same office from supporting customers in one or two channels, how would it possibly empower *remote* agents to provide a seamless experience across a full gamut of touch points?

Many companies nonetheless found a way to overcome the daunting landscape. They optimized their people, processes, and technologies to achieve admirable continuity – if not considerable improvement – in a world of such unprecedented uncertainty.

Granted, they did not eliminate all technological woes. More importantly, they did not achieve all their organizational objectives. Employee productivity can still be better, customer satisfaction rates can still be higher, and operations can still be more efficient and agile.

What technology decisions will help companies better achieve these goals? What technological capabilities will ensure companies are ready for future change, both of the expected and unexpected variety? What threats and opportunities are *most essential* to address in 2022?

The product of exclusive market research, in-depth thought leader analysis, and careful case study evaluation, this Market Study provides the answers.

METHODOLOGY & DEMOGRAPHICS

To conduct its investigation into the state of contact center technology, CCW Digital launched a survey in January 2022. The survey attracted global respondents responsible for overall leadership, contact center, customer experience, digital strategy, marketing, operations, product development, sales, training, and corporate partnerships in their respective organizations.

Example respondent job titles included chief executive officer, director of customer journey, vice president of enterprise sales, senior director of customer experience, vice president of care management, customer care center manager, head of digital, director of marketing, manager of customer support center, and customer engagement manager.

The respondent represented companies of numerous sizes across all major industries.

ABOUT THE AUTHOR



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Brian Cantor is the principal analyst and director for CCW Digital, the global online community and research hub for customer contact professionals. In his role, Brian leads all customer experience, contact center, technology, and employee engagement research initiatives for CCW. CCW Digital's articles, special reports, commentaries, infographics, executive interviews, webinars, and online events reach a community of over 150,000.

A passionate advocate for customer centricity, Brian regularly speaks on major CX conference agendas. He also advises organizations on customer experience and business development strategies.

KEY FINDINGS

- 1 The majority of today's companies are reasonably confident in their contact center technology, noting that it renders them at least somewhat prepared for all key customer and employee experience trends.
- 2 A whopping 52% feel their technology is "very well prepared" to support the ongoing emergence of remote and hybrid workforce models.
- 3 Granted, there are some clear opportunities for improvement: more than one-fifth of companies, for example, feel at least somewhat unprepared for growth in self-service and agent-led digital interactions.
- 4 Leading technology goals for 2022 include improving productivity, reducing customer effort, reducing agent effort, and supporting real-time training and e-learning.
- 5 Only 41% of companies feel that "users" like customers and front-line agents have a sufficient voice in technology decisions.
- 6 Hoping to better empower these users, companies identify usability for employees, managers, and customers as top factors when evaluating new solutions.
- 7 Other key purchasing drivers include integration with existing or planned technology stacks, API and plugin capabilities, and ease of scaling.
- 8 A staggering 91% of companies say that their agents have to access multiple screens or systems during *typical* interactions.
- 9 Despite that staggering statistic, 59% of companies feel their technology is at least somewhat helpful in empowering productive employee performance.
- 10 Amid the rise of AI, contact centers are focused on training agents for more complex interactions, coaching agents to handle more analytical or programmatic work, recruiting agents with existing proclivities for complex work, and collaborating with IT to best support new AI tools.



ARE CONTACT CENTERS EQUIPPED FOR THE FUTURE?

Even prior to the word “coronavirus” entering the lexicon, contact center leaders agreed that digital channels were going to come to prominence, artificial intelligence and self-service were going to transform employee workflow, and customer experience demands were going to evolve. Even prior to the late-2021 surge in COVID-19 cases, contact center leaders almost unanimously agreed that remote (or at least hybrid) work models were here to stay.

As 2022 begins, these predictions appear more accurate than ever.

The relevant discussion is not, therefore, whether such trends will impose meaningful change on the customer contact landscape. Rather, it is whether contact centers possess the technology needed to adapt to such change.

Although they are not ecstatic about their preparation, contact center leaders are *generally confident* in the adequacy of their systems. **The majority of contact centers feel their technology is at least somewhat ready to support the emergence of work-from-home, increased demand for self-service, increased demand for agent-led digital interactions, evolving customer demands, growing complexity of agent work, and the rise of omnichannel engagement.**

Contact centers are *particularly confident* in their technological ability to support remote work, which is the “newest” such trend. A whopping 52% believe they are “very well prepared,” while another 25% label their organizations “somewhat prepared.”

No obvious red flags exist; the only slight concerns involve agent-led digital interactions and self-service. Although many companies feel they are prepared for these trends, 23% express some lack of preparation for the former, and 21% say their systems are not sufficiently built for the latter. A non-trivial 11% of companies believe their contact center technology leaves them *very unprepared* to support an increased demand for self-service.

Still, given the extent to which contact center technology has long elicited complaints about high cost, blatant inefficiency, poor usability, and non-existent agility, the 2022 landscape looks encouraging. Companies have clearly started to build a framework for supporting the modern, digitally savvy customer in the era of distributed work. The key will be to expand upon that framework, while closing any lingering gaps that still exist.

From a technology standpoint, how prepared is your contact center/CX function to support/address the following trends?

■ Very unprepared
 ■ Somewhat unprepared
 ■ Neither especially prepared nor unprepared
■ Somewhat prepared
 ■ Very well prepared

Rise of remote/hybrid work



Delivering an omnichannel experience



Increased demand for self-service



Increased demand for agent-led digital engagement (chat, messaging, etc)



Understanding and adapting to changing/rising customer demands



Empowering agents to handle more complex work





WHAT ARE THE TOP GOALS FOR CONTACT CENTER TECHNOLOGY IN 2022?

There is a difference between feeling *reasonably prepared* and being *ecstatic*. Today's contact centers are by no means ashamed of their technology. In fact, they generally feel it readies them to adapt to emerging trends and conquer key challenges.

They nonetheless do see opportunities for improvement in 2022.

Improving operational efficiency marks the most common goal. **A healthy 55% of contact centers hope to leverage technology to reduce costs or boost productivity in 2022.**

Other top-ranking technology priorities include **reducing customer effort (52%), reducing agent effort (47%), leveraging real-time e-learning to improve training (47%),** and **elevating data and knowledge (45%).**

Support for each goal is immensely intuitive.

No matter how far the contact center distances itself from the "cost center" stigma, operational efficiency will remain a priority. And by exposing gaps in processes, altering the labor market (leading to higher salary demands), and placing the spotlight on speed and convenience, the COVID-19 pandemic only heightened cost and productivity concerns. Companies have to be certain that

their technologies are *empowering* agents from all over the world to quickly support customers. They have less financial tolerance than ever for unnecessary operating costs, and customers have less patience than ever for inefficient (let alone ineffective) interactions.

The growing importance of convenience also explains why reducing customer effort is such a significant priority. Customers have spent the past two years growing accustomed to the power of digital interactions *and* the value of digitally savvy, customer-centric brands, all while juggling a plethora of health, finance, and lifestyle changes and challenges. Technology that yields frictionless journeys and simple interactions empowers companies to attract and retain these increasingly demanding, convenience-minded customers.

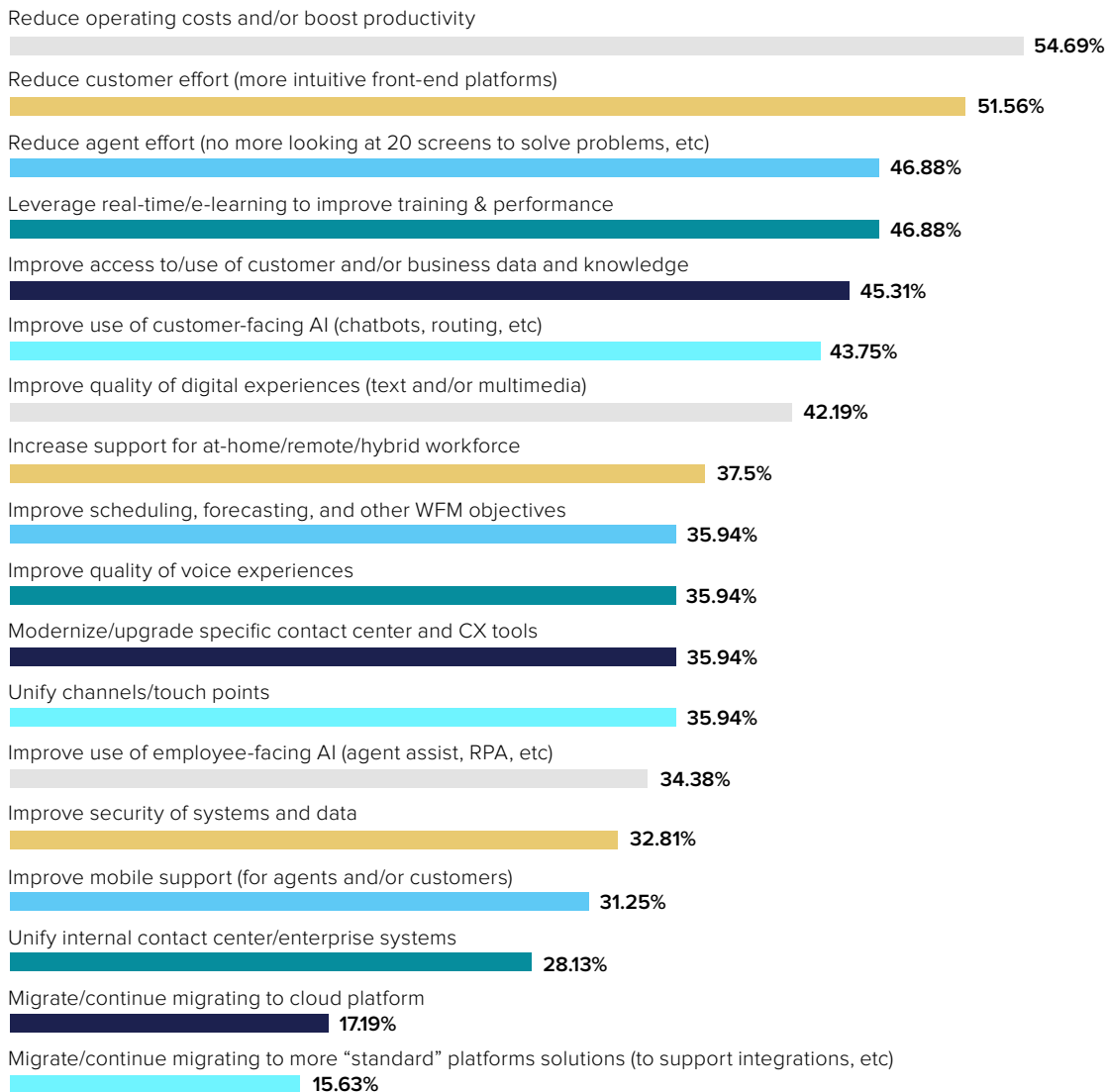
Given the link between employee and customer experiences, any hope of eliminating customer hinges on reducing agent effort. The emphasis on simplifying the agent experience also speaks to the rise of remote work; employees working out of their homes cannot as easily ask their peers for help navigating a complicated tool or system. If the platform is not inherently intuitive and efficient, productivity and agent satisfaction will undoubtedly suffer.

A simple agent experience will become even more essential as companies tap into “gig work” models that put part-time agents on the front line. With no exposure to the brand and its operational quirks, these on-demand employees will be entirely reliant on tools and systems.

The distribution of the workforce *also* explains why companies are hoping to leverage e-learning and improve data and knowledge management. Modern training technology and advanced knowledge management platforms help companies coach, guide, and empower agents who cannot congregate for traditional “classroom training.”

Robust analytics technology, meanwhile, surfaces actionable insight about today’s ever-changing customers – and their interactions in all channels. Whether by helping companies re-orchestrate their journeys, personalize experiences, deliver proactive support, or optimize agent training, higher-quality data is an undeniable gateway to higher-caliber experiences.

When it comes to contact center technology, which of the following represent key priorities/goals for 2022?





WHAT MATTERS MOST WHEN BUYING NEW TECHNOLOGY?

The customer contact landscape is a haven for innovation, with massive companies and innovative start-ups working tirelessly to revolutionize agent and customer experiences.

Though exciting for the state of customer contact, this vast amount of innovation comes with a cost: a more complicated sourcing process. With so many different companies offering solutions to the same basic problem, contact centers may struggle to identify the best solution for their *specific* situation. The customer contact industry's proclivity for catchy buzz phrases further muddles the landscape, forcing technology buyers to navigate a sea of aggressive marketing copy and enticing overpromises before finding the right products.

There are, however, certain features that stand out as broadly essential.

The most notable such feature is **usability for employees and managers, which ranks as a top purchasing consideration for 66% of companies**. Other top sourcing factors include **integration with the company's existing or planned technology stack (61%), usability for customers (56%), API and plugin capabilities (52%), and ease of scaling (52%)**.

Given that reducing effort *and* improving productivity rank as top objectives for 2022, it should come as no surprise that contact centers care immensely about usability. Flashy features and cool benefits are for naught if agents and customers cannot use the tools to perform their jobs in a productive, unencumbered manner.

The question, of course, will be the extent to which contact centers involve frontline employees and customers in the technology sourcing process. As it currently stands, **59% do not feel that end users have influence over technology decisions**. Without giving these users a seat at the table, or at least intently evaluating their feedback, identifying the most "usable" technology will be a trying task.

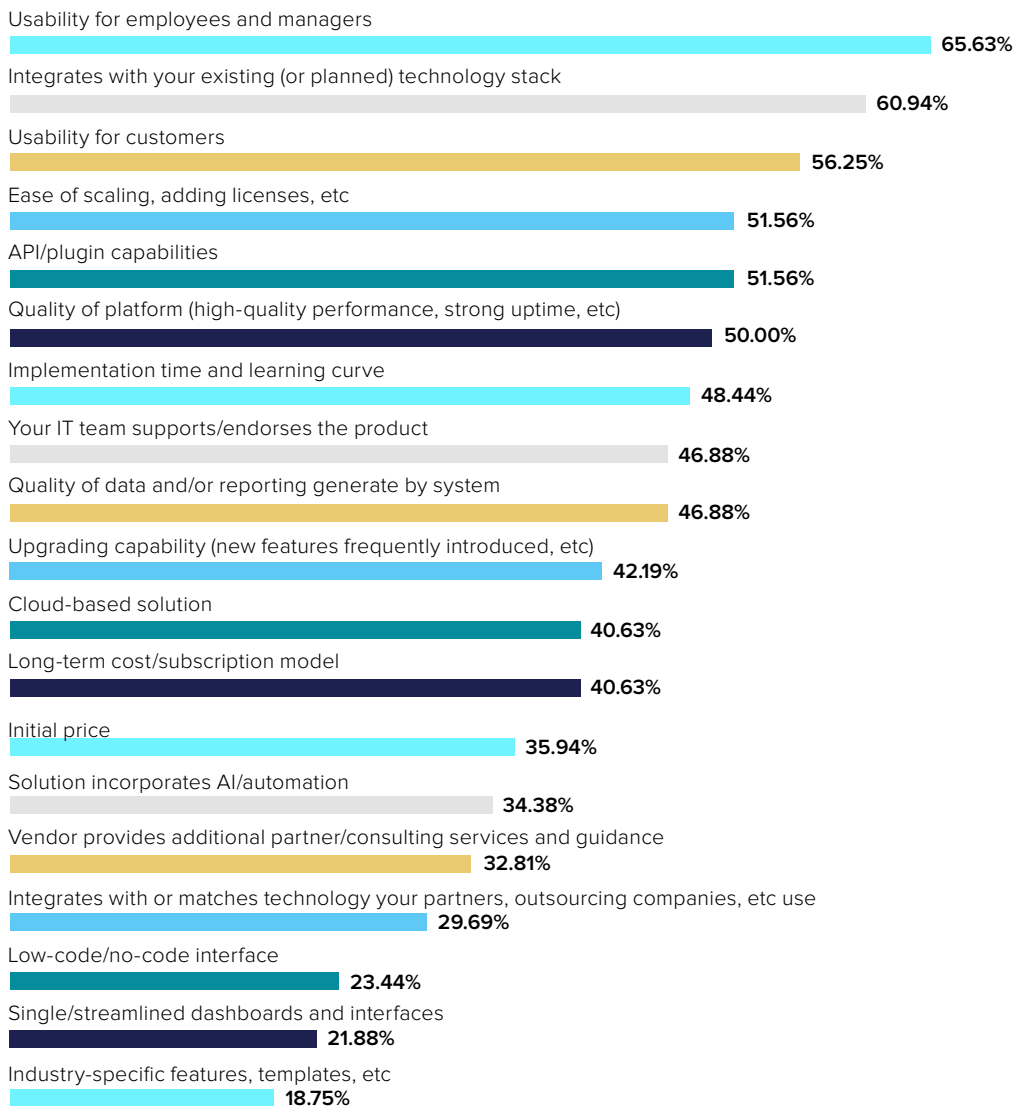
With disconnected systems ranking as the #1 pain point facing today's contact centers, leaders are naturally placing a heavy emphasis on integration capabilities. Companies are ultimately pursuing new technologies to improve operational performance; solutions that either add fragmentation to the operation or prevent the company from seamlessly adding new features down the road blatantly undermine this objective. They simply have no place in the contact center of the future.

The pursuit of integration also explains why contact center leaders are placing such a high premium on API and plugin capabilities. Solutions that empower companies to continuously add features *without* introducing new sign-in requirements or complicated implementation processes represent the ultimate leap forward for customer contact teams. They allow companies to perform better, while making things easier.

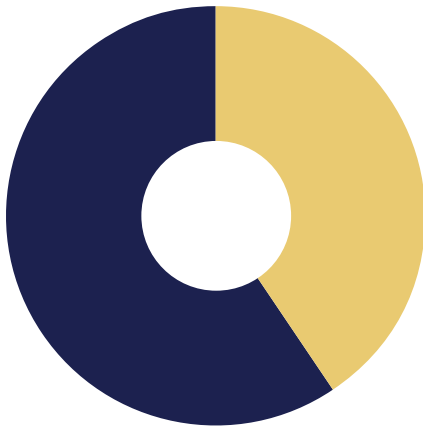
Beyond offering a valuable product, vendors that highlight their plugin and integration capabilities also signal a passion for continuous improvement – and an appreciation for reducing effort. These companies, in turn, win credibility with contact center leaders who are looking for long-term *partners* as opposed to one-and-done providers.

Not simply looking to consistently improve their tools, many contact center leaders are looking to expand them. After all, they just witnessed how quickly contact center volume can change – and how suddenly the makeup of their contact center can evolve. Naturally, they are prioritizing solutions that allow them to successfully, easily, and cost-effectively scale operations. Whether by adding new channels to their communication mix or quickly securing more user licenses as their agent teams evolve and expand, they want to ensure technology is an instrument for, as opposed to an obstacle to, significant growth and evolution.

Which of the following factors/features matter when making technology purchasing and implementation decisions?



Do you feel “users,” such as customers and frontline agents/employees, have enough of a voice in your company’s technology decisions?



■ 40.63% Yes
■ 59.38% No





CAN TECHNOLOGY HELP SIMPLIFY EXPERIENCES?

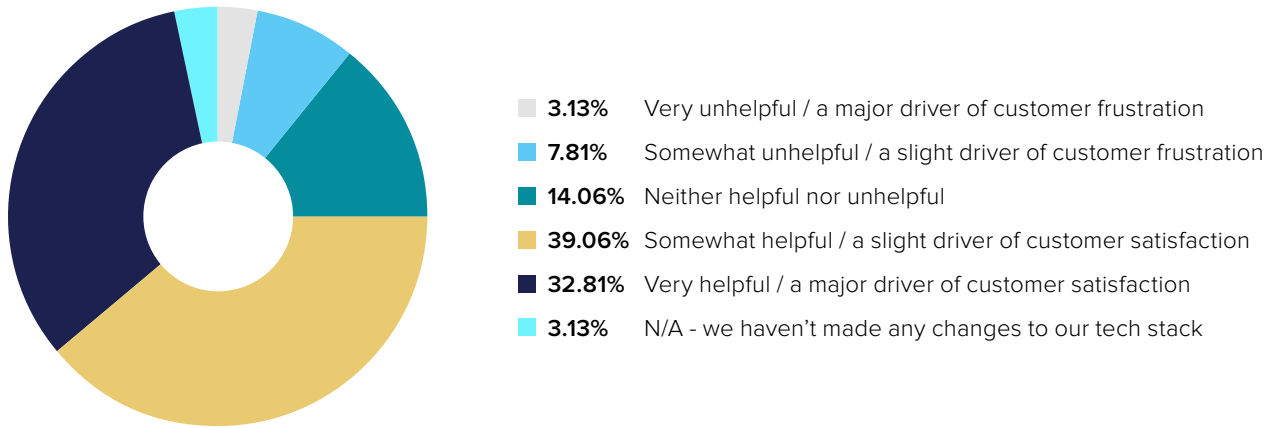
The majority of contact center leaders openly acknowledge that they do not sufficiently listen to consumers and frontline employees when making technology decisions. They also identify improving usability as a top priority, indicating their willingness to let the voices of customers and agents more meaningfully dictate technology strategy.

Acknowledging that they can and should do better is not, however, an admission that they are failing in the status quo.

A healthy 72% of contact center leaders, in fact, feel that their recent technology purchases and changes have been at least somewhat helpful in reducing customer effort and frustration. **An impressive 33% trumpet their new technology initiatives as “very helpful” and “major drivers” of customer satisfaction.**

A mere 3% fall on the opposite end of the spectrum, offering a ringing endorsement of the progress companies have made when it comes to technology. Although most do not yet feel they are “very prepared” to swiftly adapt to changing customer behaviors or dazzle them in digital environments, they are clearly moving in the right direction. They are clearly picking technology that makes experiences better.

Consider technology changes/purchases/upgrades you have made over the last 24 months. What impact have they had on customer effort and frustration?



In one sense, the data regarding agent experiences is similarly encouraging. **Just over 59% of contact center leaders feel that their technology is at least somewhat helpful in empowering employees to do their jobs efficiently. A non-trivial 16% feel it is very helpful, while only 5% fear that it is very unhelpful.** For all the talk about disconnected systems, undue agent effort, and counterproductive technology, contact centers generally feel their solutions contribute favorably to performance. They are certainly not flagging systems as a top driver of long wait times, high agent frustration, or growing agent turnover.

There is, however, reason to worry that contact center leaders are setting the bar too low.

Nearly 91% of leaders acknowledge that agents have to access multiple screens, dashboards, systems and/or databases when handling typical interactions. Despite all the talk about unifying systems, this shocking statistic has actually *grown* from the 81% figure uncovered by a 2018 CCW Digital report.

With the typical agent having to look across multiple systems to solve even the most basic customer issues, it should come as no surprise that 68% of customers report long wait times. It should be similarly predictable that “slow, unprepared agents” and “repetitive questions” also rank as top customer pain points.

The fact that many contact center leaders are celebrating their technology as somewhat or very helpful, on the other hand, registers as very surprising. How could such a disconnect be possible?

The issue is likely one of standards. Looking across multiple screens and pouring through multiple databases has long been a fixture of the contact center experience; it is as familiar a notion as “happy agents equal happy customers” or “the customer is always right.” It stands to reason, therefore, that many contact center leaders accept such friction as inevitable. And so instead of immediately citing “multiple screens” as a sign of problematic inefficiency, they may be celebrating progress they have made in improving the quality of the many contact center interfaces – or slightly reducing the number of systems agents have to access.

Such a perspective is understandable in the short-term. The reality is that the customer contact function *does* require different types of data and knowledge, and it does involve numerous tools. Efforts to streamline access to these moving parts, even if they do not wholly *unify* the agent’s desktop experience, clearly add value to the operation.

The problem is that the cost of fragmentation – *any* fragmentation – is becoming exponentially more significant.

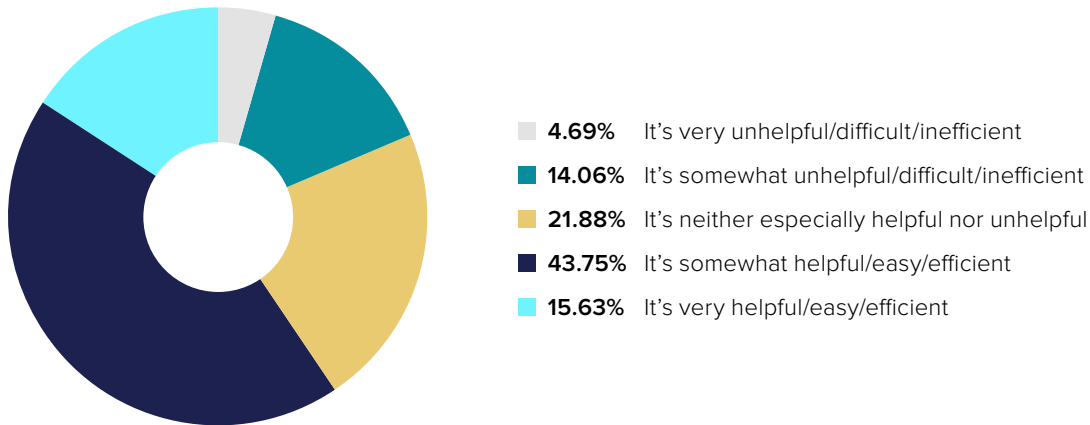
At the same time they are interacting in more channels, customers are demanding faster and more personalized experiences. If agents cannot access a 360-degree view of the customer’s experience from a single interface, they will be unable to rise to the necessary occasion.

As they become more comfortable with self-service for simple issues, customers will primarily rely on agent assistance for unique or complex matters. Agents will surely require in-depth knowledge, guidance, and customer data to handle these challenging issues; if they have to access numerous databases and systems to get the information they need, they will be unable to provide support with any degree of expediency. More troublingly, they will be so consumed by the process of *locating* information that they will be unable to devise creative solutions or form meaningful human connections – the main advantages human employees over over bots.

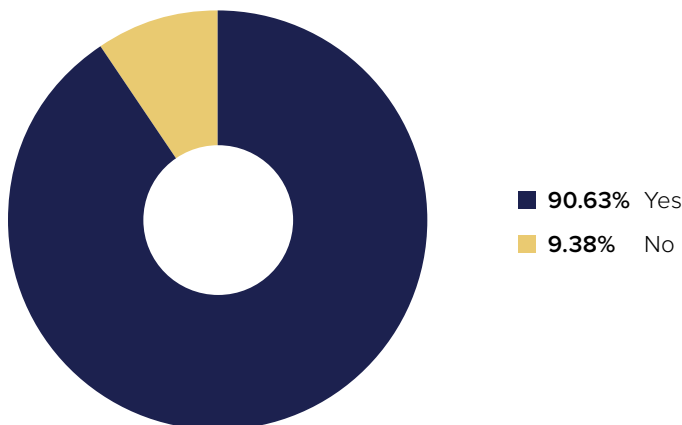
Scattered agent interfaces will prove particularly problematic in the era of gig-based remote work. Less familiar with the brand and unable to receive in-person guidance from peers, these agents will be entirely reliant on the systems. If they have to access multiple systems for even the most basic issues, productivity will significantly suffer.

Further, fragmentation limits an organization’s ability to successfully automate processes. After all, AI-driven solutions require seamless access to a “single source of truth” and all key enterprise systems in order to properly function.

To what extent does your contact center/CX technology help employees efficiently do their jobs?



When handling typical customer issues/inquiries, do your contact center/CX agents have to access multiple screens, dashboards, and/or systems?





HOW ARE COMPANIES PREPARING FOR THE IMPACT OF ARTIFICIAL INTELLIGENCE?

“AI will handle simple issues so that human employees can focus on complex ones.” Close variations of this concept have moved well past the point of cliché among contact center professionals.

What happens when the notion finally comes to fruition?

Agents within a typical contact center, after all, spend the lion’s share of their time on *simple issues*. They reiterate 90-day return policies and help customers reset passwords. They manually log their calls and leave their workstations to take part in formal training sessions. What will they do when AI solutions absorb some or all of this work? Are they ready to address the “complex tasks” thought leaders have long viewed as perfect for human agents?

Devising a successful AI strategy is as much about answering these questions as it is finding the right technology provider. It is about determining how AI will affect one’s operations – and what steps will allow the company to thrive in that new normal.

Insofar as 91% of contact center leaders believe AI *will* take over many simple tasks (9% actually feel that AI solutions will also handle complex ones), such preparation *absolutely* must be a priority in the typical contact center.

As part of this preparation effort, **52% of contact centers are or will focus on training existing agents to handle more complex customer interactions**. Other top-ranking initiatives include **training existing agents to handle analytical or programmatic work (42%)**, **recruiting employees who are already capable of more complex work (41%)**, **collaborating with IT to ensure they can support new AI solutions (38%)**, and **reallocating personnel in anticipation of changing needs (33%)**.

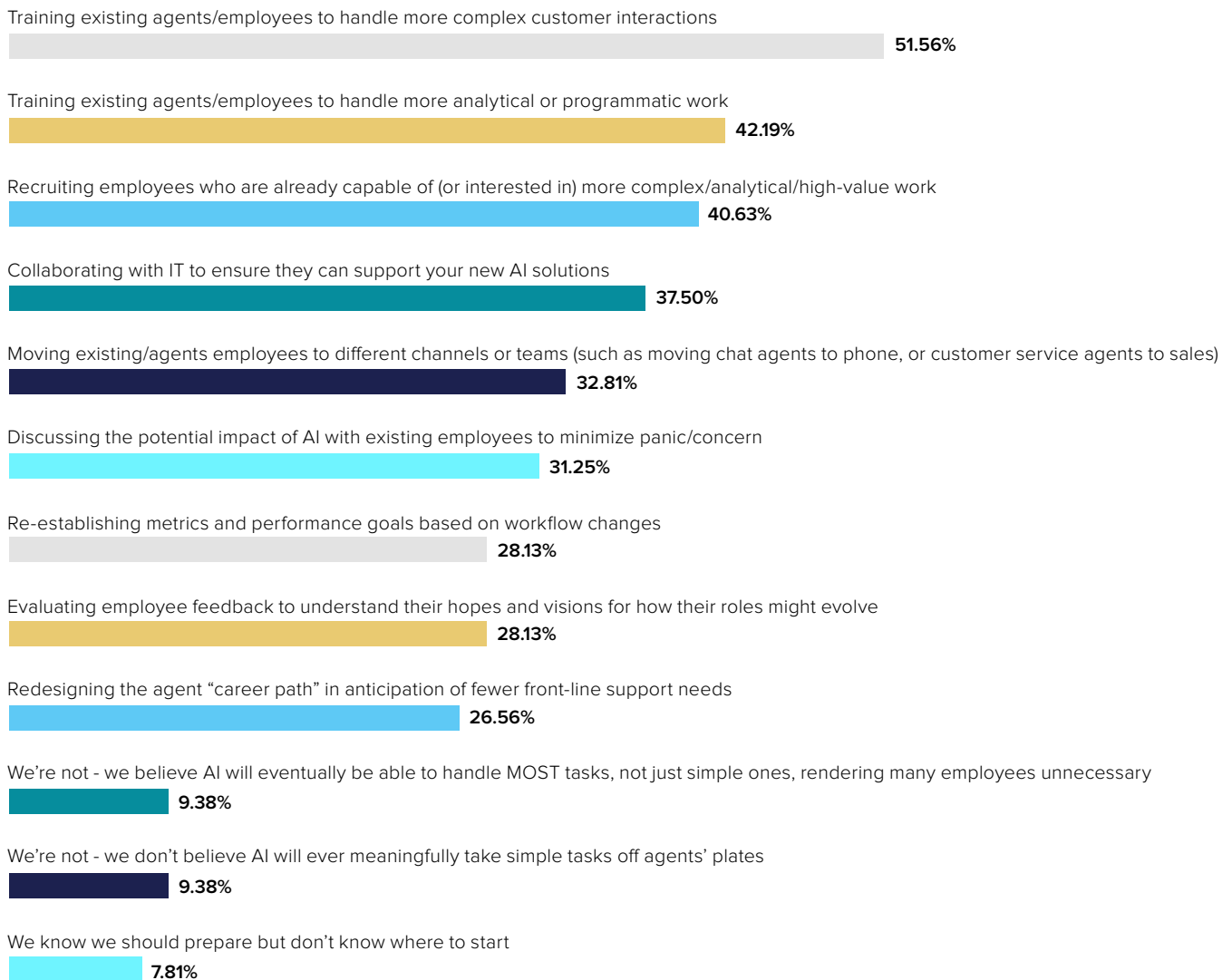
In emphasizing training, companies are acknowledging two realities: that the role of the agent will change, and that the typical agent is not yet equipped for the new normal. Whether employees focus on resolving higher-stakes or more complex issues or focus on non-call work like analyzing voice of the customer feedback or “tuning” chatbots, they are going to need skills and experience that they are not presently cultivating in their roles.

In addition to empowering team members with these higher-value skills, companies are also wisely thinking about how resourcing needs will change as AI takes flight. Growing customer comfort with chatbots, for example, might cause companies to allocate “chat agents” to other channels (or, alternatively, allocate *more agents to chat* in anticipation of more escalations). A longer-term belief that AI will minimize the need for customer service resources, meanwhile, may have some companies moving their support agents to sales, marketing, or customer retention roles.

Given this evolution, it makes perfect sense that many companies are also looking at recruiting for a new agent profile. Finding someone who can read a script and follow set processes is a much different process than finding someone who can connect with customers and think critically about optimizing experiences, and savvy companies are recalibrating their hiring efforts accordingly.

Although many AI solutions offer low-code or no-code functionality, the undeniable reality is that they *are* technology products that will have a meaningful impact on customer experience and operational success. Unsurprisingly, some contact center leaders are collaborating with IT to ensure they are prepared to maximize the value – and minimize the disruption – of such technology.

How are you/will you prepare for a future in which “AI handles simple tasks, so human employees can focus on complex ones”?





FROM GREAT RESIGNATION TO GREAT RETENTION: PRACTICAL WAYS TO LEVERAGE TECHNOLOGY TO IMPROVE EMPLOYEE EXPERIENCE

How can you leverage both employee and customer feedback to make actionable improvements to the employee experience? A culture of listening starts with having the right systems in place to collect feedback from actual conversations, rather than surveys (or solicited feedback) where employees or customers may not feel comfortable or inclined to answer honestly.

1) PROVIDING TRAINING AND COACHING TO CUSTOMER-FACING EMPLOYEES

From the contact center to sales and beyond, customer-facing employees should have the opportunity to learn from actual customer conversations. By gaining deep understanding into employee and customer interactions,

supervisors can identify performance trends, target behavior for guidance or reinforcement, and create a persistent culture of improvement.

In fact, targeted guidance and positive reinforcement can increase employee retention. Personalized coaching goes a long way toward helping your employees envision how they can reach the next level in their careers. What's more, positive examples of a job well done can help with remote team pride, enthusiasm and self-esteem. Coaching and encouragement can happen in real time, not just after an interaction has taken place. This helps your employees feel supported in their day-to-day work. It's important to note that this dialogue between supervisors and employees isn't a one-way street. Bi-directional communication between managers and employees, as well as peer performance visibility encourages self-improvement and cultures that encourage objective analysis.

2) UNEARTHING TREND DATA ON THE EMPLOYEE EXPERIENCE

Department leaders, as well as HR leaders, don't have to feel overwhelmed by their employee experience efforts. Listening to the VoE can create a workplace culture that makes employees feel involved, engaged and empowered. There is a wealth of opportunities to collect and analyze employee feedback across your organization, including voice and video conversations, IT tickets, and more. Using these employee insights, HR leaders can tailor programs and initiatives across departments that support productivity and improve job satisfaction. For line of business leaders and managers, these insights can help them make departmental improvements that ultimately increase retention and impact the bottom line.

3) DRIVING BUSINESS IMPROVEMENTS

The most critical part of capturing interaction data is knowing how to act on it. Employee or peer feedback can shine a light on employees' successes and give you and your managers opportunities to provide more professional development and advancement. In cases where a strategy shift is needed, data-driven feedback provides employees with the clarity they need to be more effective or continuously improve their skills.

Beyond coaching alone, customer feedback can go a long way toward driving business improvements across your entire organization. For example, your marketing team can evaluate the effectiveness of their campaigns based on customer feedback and make key changes that impact conversion rates. Your product teams can use customer conversations to inform product development and roadmap considerations, etc.

4) LEVERAGE CONVERSATION ANALYTICS

Conversation analytics enables organizations to analyze 100% of customer or employee interactions across every channel, delivering insights that empower managers to give better employee feedback, as well as coaching opportunities that lead to increased retention and engagement.

Contact center and HR leaders can leverage employee feedback across a variety of channels. These employee interactions can measure emotion and sentiment, as well as uncover key drivers and common concerns across the employee base to improve satisfaction, engagement and retention.

APPENDIX



 **From Great Resignation to Great Retention: Improving Employee Experience**

 **How to Lead a Business Transformation in 2022**

MEET THE TEAM



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2022 EDITORIAL CALENDAR

JANUARY

State Of Contact Center Technology



APRIL

New Benchmarks For Customer Contact Performance

TBD

JUNE

Customer Contact Industry Review

TBD

AUGUST

Customer Experience Trends, Challenges & Innovations

TBD

NOVEMBER

Future Of The Contact Center: A Forecast

TBD

FEBRUARY

Strategic Planning For CX Operations

February 9-11, 2022

APRIL

State Of Contact Center Technology

April 6-8, 2022

MAY

New Standards For Customer Contact Performance

May 25-27, 2022

JULY

Modernizing Service Experiences With AI & Digital

July 20-22, 2022

SEPTEMBER

Customer Experience Trends, Challenges And Innovations

September 14-16, 2022

OCTOBER

Business Continuity 2.0

October 26-28, 2022

DECEMBER

Future Of The Contact Center: A Forecast

December 14-16, 2022