CCW CUSTOMER CONTACT WEEK DIGITAL

CallMiner

2023

NOVEMBER MARKET STUDY

FUTURE OF THE CONTACT CENTER

CCW **CallMiner**

Intro

Another year of customer-centric rhetoric has unfortunately accompanied another year of customer experience disappointment.

For all the talk about competing on the customer experience, all the hype over the transformative potential of AI, and all the excitement over predictive intelligence, today's experiences remain reactive, generic, inefficient, and unwelcoming.

Less than 15% of consumers feel brands are sufficiently personalizing customer interactions. The majority continue to endure long wait times on the phone, while remaining wholly underwhelmed by AI-driven chatbots. Nearly 60% are facing undue difficulty getting refunds or make-goods when things go wrong.

Unsurprisingly, just 4% believe the experience meaningfully improved in 2023.

These damning stats, meanwhile, say nothing of the numerous *employee experience* challenges that remain prevalent in contact centers.

As 2024 arrives, will brands do anything to escape this pessimistic landscape? Will they take steps to harness the right data and technology to empower employees and wow customers? Will they craft a future in which the promise of customer centricity is not undermined by inconsistent visions, ineffective systems, and inefficient processes?

To answer these questions, CCW Digital conducted in-depth research into the future of the contact center. Encompassing lingering challenges, exciting ambitions, and honest predictions, the findings inform this exclusive Market Study.

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Methodology & Demographics

To conduct its inquiry into the Future of the Contact Center, CCW Digital issued a survey in October and November of 2023. All leaders in contact center, customer experience, customer intelligence, operations, and marketing roles, the respondents represented companies of all sizes and most major industries.

Example respondent job titles included vice president of contact center operations, regional director of operations, voice of the customer manager, chief customer officer, head of operational excellence, senior vice president of client experience, director of customer relations, senior director of customer success, vice president of customer experience, director of client delivery, chief operating officer, director of patient access centers, and associate vice president of customer service.

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 typical contact center is not yet perfect, but most leaders believe they made considerable progress in 2023. Comparatively significant improvement areas include agent engagement, cross-departmental collaboration, and cost management.

2 Contact center leaders do not believe agent turnover is inevitable; a whopping 52%, in fact, believe they can *significantly* boost retention in the coming years.

3 Top employee experience focuses include training and development, internal collaboration, and culture-building.

4 As part of their employee training efforts, leaders plan to prioritize empathy and soft skills, complex product mastery, and personal career development.

5 Contact center leaders do not feel phone communication will fade away in the coming years, but they anticipate far bigger volume gains in web self-service, live chat, and messaging.

6 As web self-service becomes more prominent, contact center leaders will have to determine which issues are most suitable for chatbots to handle. Presently, the typical contact center leader is comfortable allowing customers to make appointments or process basic transactions in chatbots. There is less agreement, however, on whether these bots should be able to initiate account changes, issue refunds, or make exceptions to policies.

7 Although nearly 90% of contact centers will emphasize some degree of cost-cutting in the next two years, they are not taking their feet off the innovation pedal. Key investment focuses include customer-facing AI, customer analytics and intelligence, and knowledge management.

8 While investing in AI solutions, contact centers will account for challenges like data protection, UX design, and case study evaluation.

9 Key customer intelligence goals include better monitoring quality, better identifying agent knowledge gaps, better determining employee engagement, and better predicting customer needs.

10 Moving forward, contact center leaders are most optimistic in their ability to better empower agents, reduce wait times, and strengthen proactive engagement.

Looking Back on 2023: Did The Contact Center Improve?

Given that only 4% of consumers noticed improvements in their experiences with brands, one would be hard-pressed to call 2023 a successful year for the customer contact community. The typical contact center has a long way to go when it comes to empowering agents and delighting customers.

That sobering reality does not, however, mean contact centers made *no* progress in 2023. It does not mean there is *no* cause for celebration.

A whopping 84% of contact center leaders believe they markedly improved their approach to agent engagement over the past year. Other noteworthy improvement areas included collaboration with other departments (70%), cost management (70%), and omnichannel engagement (66%).

Of the four biggest improvement areas, three speak to long-standing contact center ambitions.

The idea of "happy agents = happy customers," for example, has become as synonymous with customer contact as phrases like "the customer is always right." Unfortunately, progress in cultivating happy agents, let alone *productive ones* who can truly wow customers, has long eluded the customer contact function. The notion that brands are finally making strides on this front is especially exciting in today's climate, given that work environments are greatly changing and the standard for agent performance is greatly increasing.

Complaints over "silos" are notorious in all business circles; any progress in eliminating the disconnect between the contact center and other departments is thus immensely impressive. It is also quite timely, as contact centers will require a powerful relationship with IT to navigate today's exciting but complex technology climate, as well as a strong bond with teams like marketing and sales to ensure a consistently stellar customer experience.

CCW Digital research has consistently shown that hype over the idea of omnichannel was not translating into reality. The typical customer experience has remained fragmented, inefficient, and inconsistent – and arguably even worsened – in the years since omnichannel became a popular term. By finally beginning to unify their channels, however, brands move closer to creating predictive, personalized, seamless customer journeys that foster long-term loyalty.

Cost containment, the fourth progress area, has not necessarily been a loudly broadcast trend in recent years. After all, the typical contact center has been arguing for its place as an *investment that creates value.* Still, given that operational inefficiencies can adversely impact customer and employee experiences, there is conditional merit to efforts that eliminate undue costs and boost productivity. And given the extent to which economic uncertainty has defined business dialogue over the past year, successful cost management is likely scoring contact center leaders points with senior leadership.
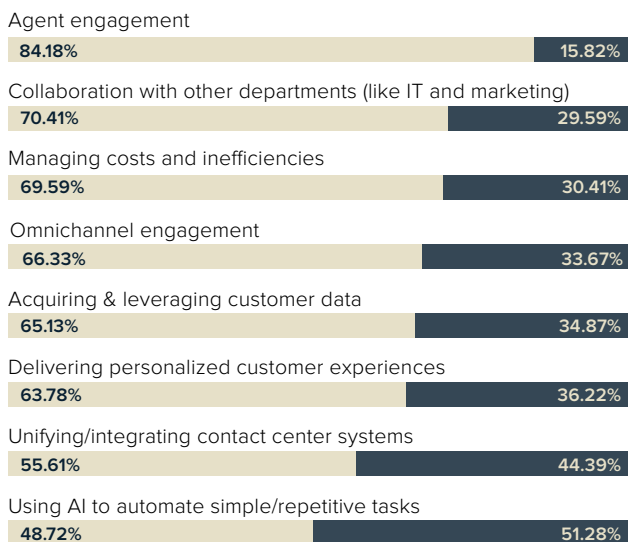
But declaring "mission accomplished" in *any area,* let alone on the efficiency front, would be premature and irresponsible. To illustrate this point, consider the following findings:

- 82% of contact center leaders still feel agents are spending too much time on inefficient processes and internal tasks within the contact center
- 80% of contact center leaders still feel agents are spending too much time handling matters that should be addressed in self-service

Not simply a sign of suboptimal productivity, these inefficiencies can have an adverse impact on the agent experience. Agent effort, especially that directed toward low-value tasks, is the enemy of employee satisfaction.

Over the past year, do you feel your contact center has improved in the following areas?

Yes   No

Agent engagement
84.18%   15.82%

Collaboration with other departments (like IT and marketing)
70.41%   29.59%

Managing costs and inefficiencies
69.59%   30.41%

Omnichannel engagement
66.33%   33.67%

Acquiring & leveraging customer data
65.13%   34.87%

Delivering personalized customer experiences
63.78%   36.22%

Unifying/integrating contact center systems
55.61%   44.39%

Using AI to automate simple/repetitive tasks
48.72%   51.28%

Over the past year, do you feel your contact center/CX agents spent too much time handling issues that customers SHOULD have been able to address using self-service (bots, IVR, etc)?
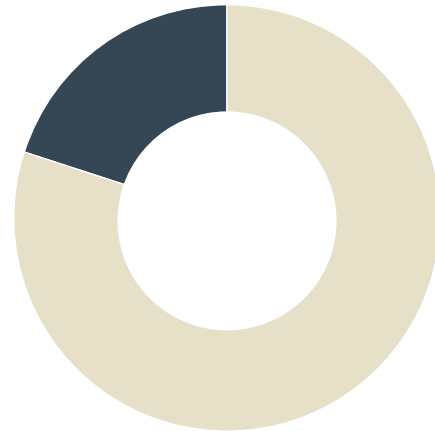
■ **80.20%** Yes
■ **19.80%** No

Over the past year, do you feel your agents spent too much time handling administrative / back-office / process work that should have been automated or simplified with AI and other modern contact center technology?
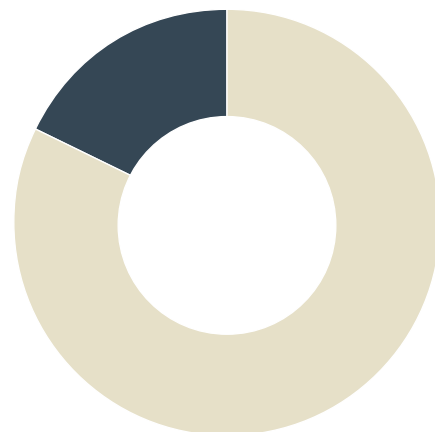
■ **82.23%** Yes
■ **17.77%** No

The Future of Agent Engagement

2023 might have been a positive year for agent engagement initiatives, but contact center leaders are not deluding themselves into thinking their work is done. They know they are only at the beginning of their effort to cultivate a more empowering, engaging, agent-centric contact center.

Although the journey to a truly stellar agent experience may be challenging, contact center leaders are confident it will be worthwhile. Many, in fact, believe it could pay dividends in the next 1-2 years.

A healthy 95% of contact center leaders believe *they* can positively impact agent retention in that timeframe; 52% have faith in a *dramatic* increase.

Of course, it will take effective action to turn this optimism into progress. If contact center leaders invest in the wrong agent experience initiatives – or, worse, succumb to half-hearted measures – agents will not stay, let alone perform at their highest capacity. The contact center operation will suffer, as will the customer experience.

Do you feel improving employee retention is a realistic contact center goal for the next 1-2 years?
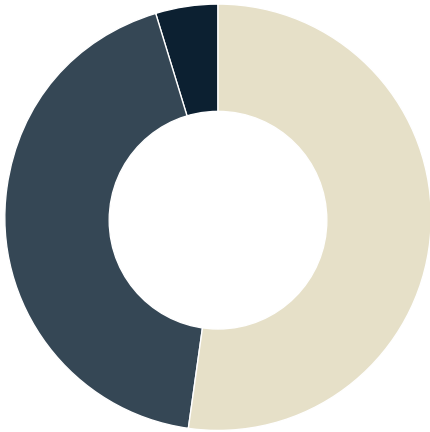
- **52.28%** Yes - I believe we can meaningfully increase employee loyalty & retention
- **43.15%** Somewhat - I believe we can marginally increase retention, but accept that some turnover is inevitable
- **4.57%** No - Many agents will always see the contact center as a short-term "job" rather than a long-term career

TOP EMPLOYEE EXPERIENCE PRIORITIES

As leaders pursue greater employee engagement and retention, training and development is taking center stage. A whopping 88% call coaching a top priority for the next 1-2 years, making it the #1 agent experience focus moving forward.

An inherent way to increase engagement, immerse employees in the business, provide more face time, and generate better performance, coaching has particular relevance in today's climate. With AI-driven automation increasingly absorbing repetitive, familiar, and transactional tasks, many agents will be shifting their attention to more consultative and analytical work. A stronger coaching program will not only empower agents to thrive amid this evolution but gain clarity and confidence in how their workflows and career trajectories will change.
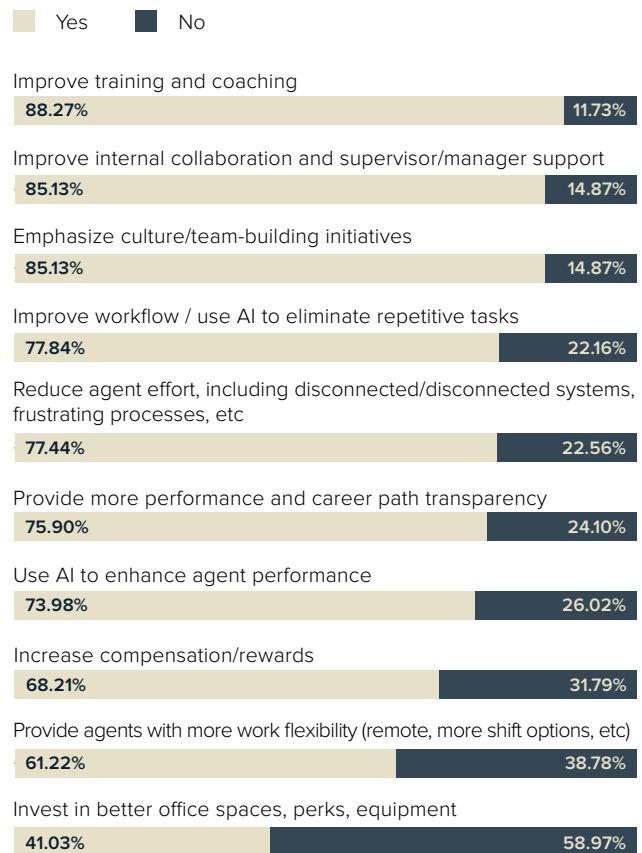
Other leading employee experience priorities include improving internal collaboration and manager support (85%), strengthening culture and team-building (85%), and reducing agent effort (77%).

The rise of remote and hybrid work has placed a special spotlight on each of these three areas.

Though popular, superficial "culture" gestures like office pizza parties and ping-pong tables were never meaningful drivers of agent satisfaction. And for as little as they meant in the past, they are even less consequential now that agents are spending far less time in the physical contact center. Drivers of agent effort like difficult systems, inefficient workflows, cumbersome processes, and poor training have a far greater impact on the agent experience.

This reality does not, however, mean that *culture* is unimportant in today's environment. If anything, building a culture of camaraderie and collaboration needs to be a more deliberate effort, since peer communication does not happen automatically in the era of remote work. If the business is not *actively* working to connect colleagues, build relationships, and generate shared values, it stands no chance of maximizing agent engagement or performance.

Will your contact center/CX team prioritize the following employee experience initiatives in the next 1-2 years?

▢ Yes   ◼ No

Improve training and coaching
88.27% | 11.73%

Improve internal collaboration and supervisor/manager support
85.13% | 14.87%

Emphasize culture/team-building initiatives
85.13% | 14.87%

Improve workflow / use AI to eliminate repetitive tasks
77.84% | 22.16%

Reduce agent effort, including disconnected/disconnected systems, frustrating processes, etc
77.44% | 22.56%

Provide more performance and career path transparency
75.90% | 24.10%

Use AI to enhance agent performance
73.98% | 26.02%

Increase compensation/rewards
68.21% | 31.79%

Provide agents with more work flexibility (remote, more shift options, etc)
61.22% | 38.78%

Invest in better office spaces, perks, equipment
41.03% | 58.97%

TOP TRAINING PRIORITIES

Training ranks as the #1 employee experience initiative for the next 1-2 years, and no development focus matters more than empathy and "soft skills."

As contact center leaders ask agents to not only focus on more complex work but achieve more supportive and human connections with customers, 90% plan to focus on soft-skill training.

This statistic does not wholly negate the concept of "hiring the smile and training the skill" – the best contact centers will still seek naturally personable and supportive people – but it does underscore the evolution of agent work. The agent of the future will not simply be reading off scripts or restating policies, as AI-driven bots are perfectly capable of such repetitive work. Instead, the agent will be *humanizing* these policies and adapting to unique customer concerns and emotions. Empathy, creativity, and quick decision-making, therefore, are becoming *skills* that even the most naturally friendly and charismatic employees will have to learn.

Granted, the best agents will not *strictly* focus on emotionally resonant conversations. They will also have to solve more challenging and unpredictable problems, thus necessitating a mastery of more complex topics and processes. To fulfill this need, 87% of contact centers plan to emphasize complex product and issue training.

Other top training priorities include personal career development and collaboration skills (85%) and comfort with new technologies and systems (80%).

In a sense, these two priorities go hand-in-hand. Because automation technology is shifting agents to more complex work, contact centers will require agents who have a better understanding of – and commitment to – the greater business. It thus becomes imperative to treat the contact center as a *career* and ensure agents are getting the support and guidance they need to become more capable, collaborative leaders.

Of course, this long-term focus only becomes possible or relevant if agents receive vital training on the automation tools meant to streamline their work and augment their performance.

Will your organization prioritize the following competencies when training contact center/CX agents and/or supervisors in the next 1-2 years?

Yes ▢   No ■

Soft skills/empathy/friendliness — 9.69%
90.31%

Knowledge to handle more complex/challenging customer issues
86.73% | 13.27%

Personal career development / leadership / team collaboration skills
84.69% | 15.31%

Comfort with new systems and technologies
79.59% | 20.41%

De-escalating hostile customers
76.41% | 23.59%

Comfort communicating in multiple channels
75.90% | 24.10%

Capability to analyze customer feedback and data
74.11% | 25.89%

Capability to train/tune/guide chatbots and other AI tools
72.45% | 27.55%

Comfort with different types of engagement (tech support, sales, client relations, etc)
67.86% | 32.14%

Capability to train/tune/guide chatbots and other AI tools
62.76% | 37.24%

Upselling/cross-selling
59.69% | 40.31%

The Future of Customer Communication

The term "contact center" emerged as recognition that customer interactions were no longer restricted to phone calls. Over the next 1-2 years, leaders believe it will become even more appropriate.
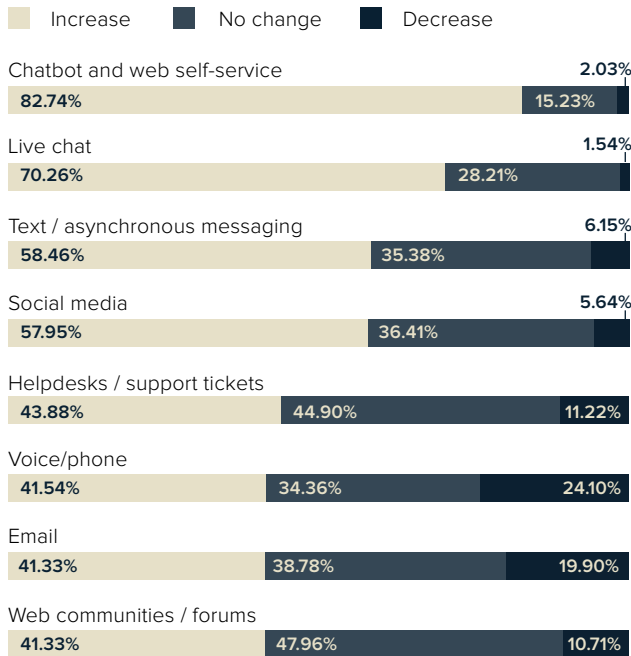
No, contact center leaders do not feel that the traditional voice channel will fade away. In fact, a greater percentage of leaders expect phone volumes to *increase* rather than *decrease* (41% vs. 24%) going into 2025.

The typical leader, however, is far *more confident* that digital volumes will increase in the coming years.

A substantial 83% anticipate an increase in chatbot and other web self-service volume, while 70% forecast growth in live chat. The majority of leaders – 58%, to be specific – also expect growth in volume for asynchronous messaging and social media interactions.

Granted, anticipating growth in channel activity and elevating channel performance are vastly different things. CCW Digital research confirms that the traditional phone call convincingly ranks as the most trusted customer service option. If brands are expecting this significant shift toward digital communication, they will have to improve staffing, user experiences, and resolution quality in channels like chat, text, and social.

Over the next 1-2 years, how do you expect contact volume to change in the following channels?

Increase · No change · Decrease

Chatbot and web self-service
2.03%
82.74% | 15.23%

Live chat
1.54%
70.26% | 28.21%

Text / asynchronous messaging
6.15%
58.46% | 35.38%

Social media
5.64%
57.95% | 36.41%

Helpdesks / support tickets
43.88% | 44.90% | 11.22%

Voice/phone
41.54% | 34.36% | 24.10%

Email
41.33% | 38.78% | 19.90%

Web communities / forums
41.33% | 47.96% | 10.71%

PUTTING THE SERVICE IN SELF-SERVICE

The need to elevate performance is especially significant when it comes to web self-service. Brands are investing heavily into AI-driven chatbots and expect such options to see the greatest increase in contact volume, yet consumer trust in web self-service is a paltry 20%.

As brands look to increase confidence in self-service, they will have to empower their chatbots to actually solve problems. If bots simply regurgitate knowledge entries or stall customers before human employees become available, they reinforce the notion that self-service is merely a deflection mechanism. They affirm the idea that the *best support* comes from live agents.

The idea of empowering bots to solve more problems, of course, invites a pivotal question: are contact center leaders actually comfortable letting bots provide meaningful support? Are they comfortable letting AI analyze unique customer situations and provide tailormade resolutions?

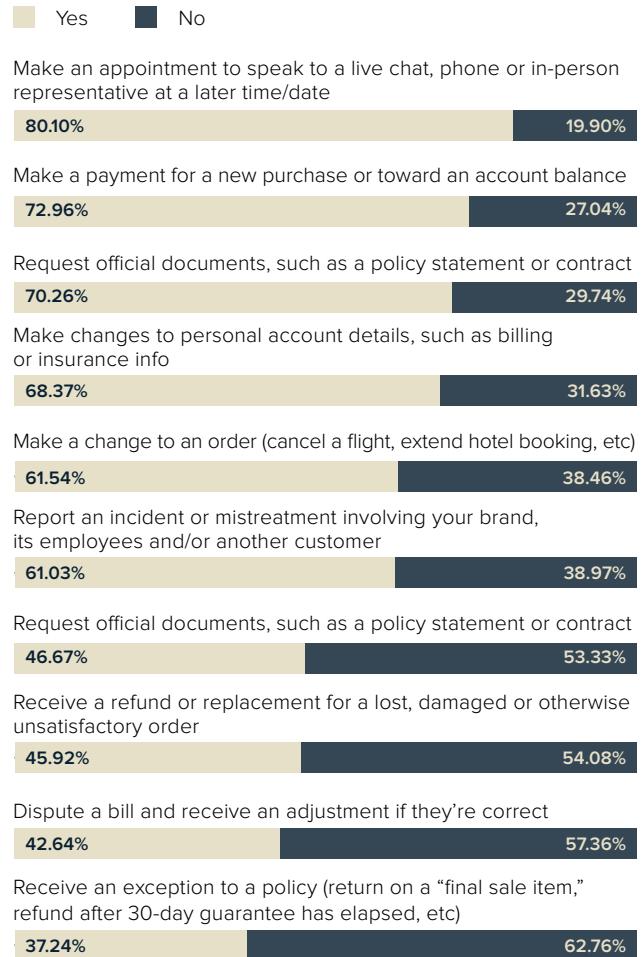Going into 2024, the answer is a cautious yes.

Contact center leaders still believe chatbots are best-suited for a concierge role; 80% are comfortable letting these tools make appointments to speak with live agents. When it comes to letting bots handle business on their own, leaders are most comfortable with straightforward transactions: making payments (73%), requesting official documents (70%), and making changes to account details (68%).

They are comparatively less comfortable letting bots handle account cancellations and renewals, refunds and replacements, billing dispute resolutions and credits, and policy exceptions. But while the majority of businesses are not yet willing to let bots handle these interactions, a non-trivial percentage of businesses *are* open to it.

If these optimistic businesses can turn their comfort into action and create bots that actually provide resolutions, they will differentiate themselves by offering a valuable service option for customers – and an appealing workflow dynamic for agents who can *truly* focus on the highest-value, most compelling interactions.

The key, of course, will be rigorously training and tuning their bots to offer productive support *without* too greatly heightening the risk of inaccurate communication, non-compliant support, or overly costly resolutions.

Would your company let customers handle the following issues/intentions entirely in a chatbot or self-service platform (absolutely no agent assistance or approval)?

Yes · No

Make an appointment to speak to a live chat, phone or in-person representative at a later time/date
80.10% | 19.90%

Make a payment for a new purchase or toward an account balance
72.96% | 27.04%

Request official documents, such as a policy statement or contract
70.26% | 29.74%

Make changes to personal account details, such as billing or insurance info
68.37% | 31.63%

Make a change to an order (cancel a flight, extend hotel booking, etc)
61.54% | 38.46%

Report an incident or mistreatment involving your brand, its employees and/or another customer
61.03% | 38.97%

Request official documents, such as a policy statement or contract
46.67% | 53.33%

Receive a refund or replacement for a lost, damaged or otherwise unsatisfactory order
45.92% | 54.08%

Dispute a bill and receive an adjustment if they're correct
42.64% | 57.36%

Receive an exception to a policy (return on a "final sale item," refund after 30-day guarantee has elapsed, etc)
37.24% | 62.76%

Top Initiatives for the Contact Center of the Future

More than two-thirds of leaders felt they better contained contact center expenses in 2023, and that cost-consciousness will not disappear in the next two years.

Nearly 89% of leaders say they will prioritize some degree of cost-cutting leading into 2025. More than 31% will make cuts across the board, while 34% will invest heavily into the contact center operation but trim spending at the customer experience level. Just over 23% will take the reverse approach, prioritizing the customer experience while reducing internal costs.

This cost-consciousness will not, however, thwart investment into innovative technologies and initiatives. A healthy 73%, for example, say they plan to increase investment into customer-facing AI in the next 1-2 years.

Other key investment priorities include customer analytics and intelligence (73% will increase their investment),

knowledge management (72%), and customer journey management and orchestration (71%).

Given that they are forecasting significant growth in digital contact volume, the investment into customer-facing AI and journey orchestration makes perfect sense. AI will make self-service options more effective, while better journey management will ensure companies can integrate their numerous digital touch points into a seamless, cohesive experience for all customers.

Knowledge management will simultaneously empower better chatbot experiences *and* help agents more swiftly and accurately address increasingly complex customer inquiries.
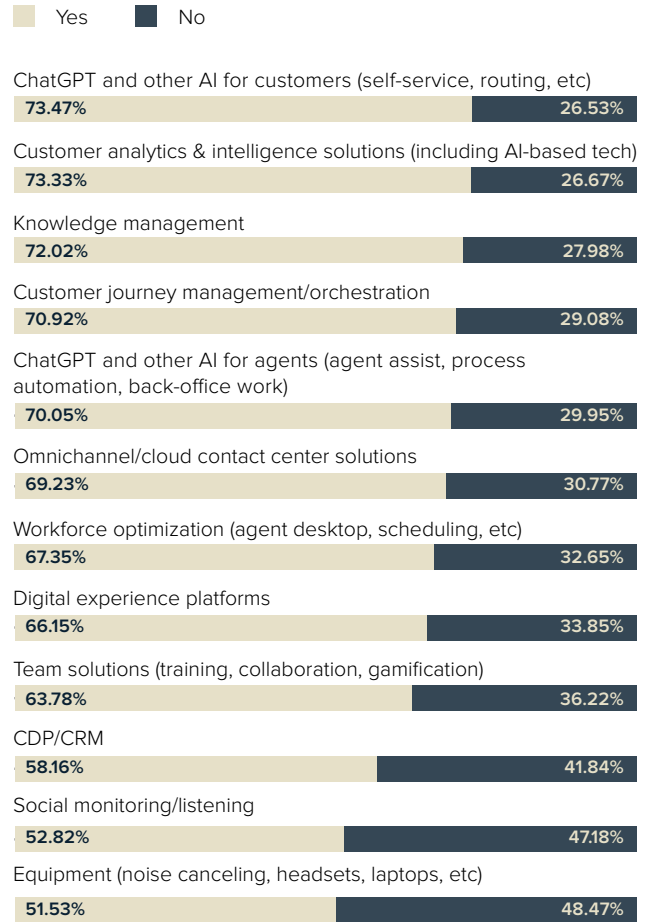
Customer analytics and intelligence will help brands glean more insights from these ever-complex journeys, and in turn empower them to anticipate and proactively tailor experiences to customers' needs and wants.

Do you expect your contact center to become more cost-conscious in the next 1-2 years?
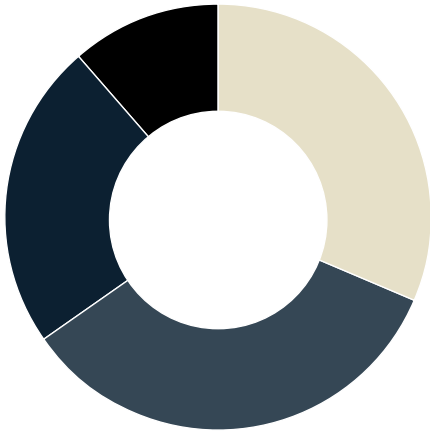
31.47% Yes, we will cut costs for all key areas - CX, technology, agents, operations

34.01% We will invest heavily into improving contact center operations/tech but try to reduce CX costs

23.35% We will invest into an exceptional CX but reduce internal contact center operations/tech costs

11.17% No, we will increase our spend on all major facets of the contact center and CX

Will you increase your investment into the following initiatives/solutions over the next 1-2 years?

Yes ▢   No ▢

ChatGPT and other AI for customers (self-service, routing, etc)
73.47% | 26.53%

Customer analytics & intelligence solutions (including AI-based tech)
73.33% | 26.67%

Knowledge management
72.02% | 27.98%

Customer journey management/orchestration
70.92% | 29.08%

ChatGPT and other AI for agents (agent assist, process automation, back-office work)
70.05% | 29.95%

Omnichannel/cloud contact center solutions
69.23% | 30.77%

Workforce optimization (agent desktop, scheduling, etc)
67.35% | 32.65%

Digital experience platforms
66.15% | 33.85%

Team solutions (training, collaboration, gamification)
63.78% | 36.22%

CDP/CRM
58.16% | 41.84%

Social monitoring/listening
52.82% | 47.18%

Equipment (noise canceling, headsets, laptops, etc)
51.53% | 48.47%

THE EVOLUTION OF CUSTOMER-FACING AI

As they increasingly implement customer-facing AI, brands will have to account for a plethora of new risks, challenges, and considerations.

In the eyes of today's contact center leaders, the biggest risk concerns data management. More than 81% see data protection and security as a pivotal AI consideration – and the concern is likely to only grow bigger as brands empower bots to engage in more personalized conversations and handle more meaningful customer interactions. Ensuring that the bot can meet standards not only for security and privacy but also industry-specific compliance will be essential for elevating self-service from "static FAQ pages" to immersive, conversational experiences.
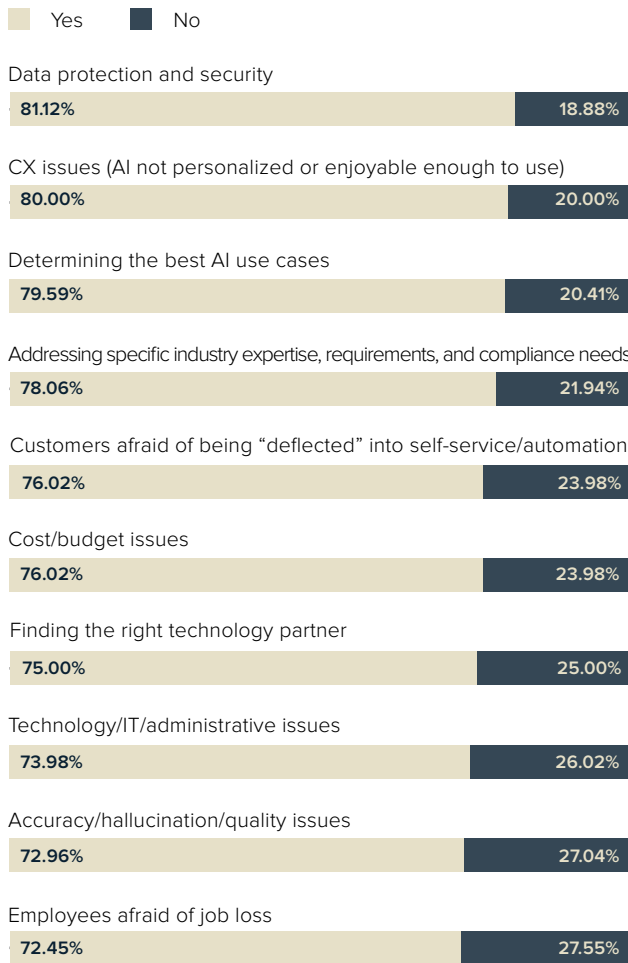
Other top considerations include customer and user experience challenges (80%), determining the best AI use cases (80%), and addressing specific industry needs (78%).

As they become the gateway to the customer experience journey, bots will grow to utterly define the customer's perception of and confidence in the brand. Ensuring that the bot is easy to use – and capable of supporting and generating natural, multi-lingual, relevant conversation – will go a long way in affirming the brand's desire to connect with rather than deflect the customer.

Underscored by the previous section ("Putting the service in self-service"), the growing power of AI solutions is forcing businesses to think critically about which use cases to automate. Whereas the decision was previously rooted in capability (could AI even handle such an inquiry?) it will soon become a matter of customer centricity (should AI handle such an inquiry?).

Similar to the emphasis on data challenges, the focus on industry nuances and complexities speaks to the greater role AI-driven engagement options will play in the contact center of the future. If a bot is going to be handling high-stakes customers and situations, it needs to demonstrate knowledge of and respect for the intricacies of specific business, industry, and customer norms and expectations.

In order to make the most of AI investments in the next 1-2 years, will you have to overcome the following obstacles?

Yes █ No

Data protection and security
| 81.12% | 18.88% |

CX issues (AI not personalized or enjoyable enough to use)
| 80.00% | 20.00% |

Determining the best AI use cases
| 79.59% | 20.41% |

Addressing specific industry expertise, requirements, and compliance needs
| 78.06% | 21.94% |

Customers afraid of being "deflected" into self-service/automation
| 76.02% | 23.98% |

Cost/budget issues
| 76.02% | 23.98% |

Finding the right technology partner
| 75.00% | 25.00% |

Technology/IT/administrative issues
| 73.98% | 26.02% |

Accuracy/hallucination/quality issues
| 72.96% | 27.04% |

Employees afraid of job loss
| 72.45% | 27.55% |

ELEVATING CUSTOMER DATA

Customer intelligence can positively transform the contact center in a seemingly limitless number of ways. Savvy leaders will, however, introduce limits. Beyond helping them zero-in on the right analytics solutions, these limits help them prioritize the right takeaways and actions.

As they look to the future of the contact center, leaders believe quality control represents the most urgent intelligence need. Nearly 79% see quality and accuracy of agent communication as a top intelligence priority.
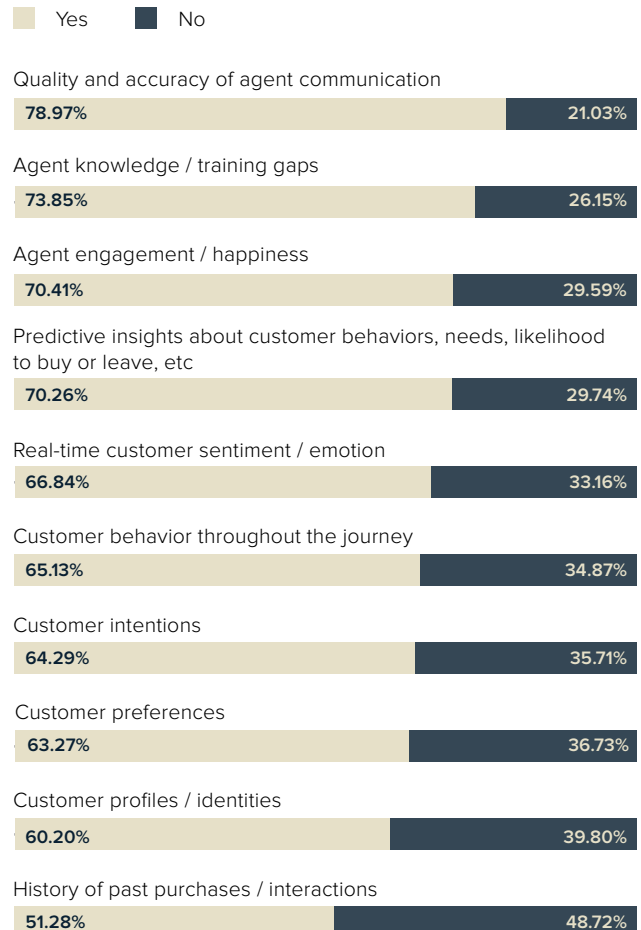
Other urgent intelligence focuses include agent knowledge and training gaps (74%), agent engagement and happiness (70%), and predictive customer insights (70%).

All concerning agents, the three biggest priorities are the consequence of two major shifts within the contact center landscape:

■ Agents are increasingly working remotely, making it harder for leadership to assess quality, knowledge, and satisfaction concerns in real-time. These leaders are consequently wholly reliant on hard data and analytics to monitor and manage performance.

■ Agents are increasingly dealing with complex issues, raising the stakes of knowledge or quality gaps. Robust intelligence is essential for assessing (and, ideally, proactively remedying) concerns that could prove costly for the business and its relationships with customers.

The emphasis on predictive customer intelligence, meanwhile, speaks to the desire to simultaneously increase efficiency and personalization. When brands can anticipate why customers are getting touch and how they will feel about particular outcomes, they can streamline journeys, eliminate repetitive questions, and provide more relevant and valuable resolutions.

Do you URGENTLY need to improve access / use of the following forms of customer/contact center intelligence in the next 1-2 years?

Yes █ No

Quality and accuracy of agent communication
| 78.97% | 21.03% |

Agent knowledge / training gaps
| 73.85% | 26.15% |

Agent engagement / happiness
| 70.41% | 29.59% |

Predictive insights about customer behaviors, needs, likelihood to buy or leave, etc
| 70.26% | 29.74% |

Real-time customer sentiment / emotion
| 66.84% | 33.16% |

Customer behavior throughout the journey
| 65.13% | 34.87% |

Customer intentions
| 64.29% | 35.71% |

Customer preferences
| 63.27% | 36.73% |

Customer profiles / identities
| 60.20% | 39.80% |

History of past purchases / interactions
| 51.28% | 48.72% |

Vision for the Future of the Contact Center

Contact center leaders can acknowledge their limitations. They can identify their solutions and priorities. They can account for complications and considerations.

But the ultimate goal of these endeavors is not to win a participation trophy. It is not to show that they are taking customer and agent centricity seriously. It is to create a more robust, empowering, customer-centric operation. It is to create a contact center that is better in the future than it is in the present or was in the past.

Will the aforementioned initiatives lead to this ideal outcome in the next 1-2 years?

If the goal is to elevate all facets of the contact center, the answer is likely no. If the goal is to markedly improve some crucial tenets of the customer contact operation, the answer is more encouraging.

Customer contact leaders are particularly confident that they will empower agents to easily access the data and knowledge they need to deliver exceptional support. More than 41% feel this statement will *definitely* be true of their contact center in the next 1-2 years, while another 47% feel they will make some progress.

Confidence in this goal is unsurprising given that agent training, knowledge management, and customer intelligence represent major investment priorities.

Leaders are also fairly confident in their ability to help customers get the support they need without long wait times or repetitive questions (39% say they will definitely achieve this, while 48% will make progress). This optimism, too, stems from leaders' investment priorities. The joint emphasis on self-service and digital channels (to mitigate volume concerns) and predictive intelligence (to make conversations more efficient) should support faster, more convenient customer journeys.

Predictive intelligence will also fuel proactive engagement, which is why 32% believe they will definitely be thriving on that front and an additional 49% feel they will make some progress.

As they continue pursuing an omnichannel experience and investing into cloud contact center solutions, an equivalent 32% believe they will definitely unify all major contact center tools and systems into a single pane of glass. Another 45% expect to make progress toward this unification.

By the end of the next 1-2 years, do you expect the following to be true of your contact center/CX function?

■ Yes, this will be 100% true
■ We'll make progress, but won't get all the way there
■ No, this will remain a challenge area

Agents can easily access the data and knowledge they need to deliver exceptional support

| 41.33% | 46.94% | 11.73% |

Customers can get access to the help they need without long wait times or repetitive questions

| 39.18% | 47.94% | 12.89% |

All major contact center tools/systems are available in a single pane of glass / platform

| 32.31% | 45.13% | 22.56% |

We are making effective use of proactive engagement

| 32.31% | 48.72% | 18.97% |

Our channel experiences are all great, enabling customers to get stellar support wherever they want

| 31.96% | 52.58% | 15.46% |

Agents are going "beyond the call" and contributing to areas like bot tuning, knowledge creation, & customer feedback analysis

| 31.44% | 44.33% | 24.23% |

Most of our communication and experiences are personalized to individual customer needs & preferences

| 31.12% | 49.49% | 19.39% |

Customers are very comfortable using our self-service options for most issues

| 30.10% | 52.55% | 17.35% |

We are seeing meaningful ROI from our AI investments

| 29.08% | 44.90% | 26.02% |

We have a 360-degree, highly predictive view of our customers

| 26.67% | 48.72% | 24.62% |

Our channels / touchpoints are connected in a fully seamless, omnichannel journey

| 25.51% | 60.20% | 14.29% |

2023

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PRACTICALITY GUIDE

CallMiner

The Future of AI in the Contact Center: Hype vs. Reality

Artificial intelligence (AI) is everywhere these days. Whether you're working with the technology directly or have simply read about it in the increased media coverage, AI is hard to ignore. And recent advances in **generative AI** have ignited new fears of AI taking over jobs of even the most skilled workers.

Generative AI applications, like ChatGPT, are especially powerful because of their ability to generate a variety of new and original content types, such as text, audio, video, and even code. In fact, according to Goldman Sachs, approximately 300 million global jobs could be exposed to automation, and one-fourth of all work could be **replaced by generative AI.**

Rather than displacing workers altogether, some research suggests that the real value of AI comes in augmenting human tasks that are repetitive or consume an inordinate amount of time. **Research from McKinsey** states current generative AI and other technologies have the potential to automate work that currently absorbs 60% to 70% of employees' time. The same report estimates applying generative AI to customer service functions could increase productivity at a value between 30% to 45% of current costs.

Beyond generative AI alone, language-based AI systems like conversation intelligence have been tested in the contact center and other enterprise applications for decades. Conversation intelligence is leveraged for operational efficiency, regulatory compliance, customer experience (CX) and employee experience (EX) improvements, as well as cross-functional business improvements based on analyzing customer feedback at scale.

The operative word for these systems is "scale." Today, scaling human capacity is the goal of AI-powered technology. Take the contact center as an example, where **some research** indicates the average agent takes approximately 200 calls per day. Unsurprisingly, it's impossible for quality assurance (QA) teams to review and score every single one of those interactions individually, which is why most manual QA processes only cover a small percent of total conversations. Conversation intelligence can scale and automate quality assurance (QA) tasks like call analysis and agent scoring and detect meaningful customer and employee trends.

But even though the application of AI in the contact center is widely accepted, emerging technologies are still forcing organizations to ask hard questions about the most beneficial applications and the potential implications for their workforce.

TAKING A HUMAN(E) APPROACH TO AI ADOPTION

With all the hype around AI, it's important to consider that customers still crave human interaction. According to **research from PwC,** 59% of all consumers feel companies have lost touch with the human element of customer experience. This is a big miss, since prioritizing CX pays off in a tangible way — equating to a 16% premium that organizations can charge for products and services.

Using the human(e) framework detailed below, it's possible for your organization to reap the benefits of AI, without losing the personal touch that only humans can provide for customers.

- Harness
- Uncover
- Master
- Analyze
- Navigate
- Emote

HARNESS

AI is only as effective as the data on which it's trained. The large language models used in generative AI are trained using massive volumes of data that's publicly available on the internet. While these models are extremely powerful based on the sheer volume of data, they're **prone to hallucination,** or making up facts based on what their training data suggests should be the most likely next outcome.

Harnessing the power of AI in your organization requires training AI models on your own company data, including contact center interactions, knowledge bases, and glossaries of industry-specific terminology. This establishes a foundation of contextual accuracy, which can be refined with human feedback.

From there, AI models make it possible to intelligently cluster the intent, action, and emotion of customer interactions to uncover conversational meaning. AI can help your agents more effectively prioritize where to place customer service and CX attention. This means empowering customer service and call center agents with actionable guidance derived from behavioral data and insights.

UNCOVER

Continually correlating conversational context with machine-learned insights reveals unanticipated challenges, and, in turn, opportunities for agents to better support customers. For your organization, uncovering these insights in the contact center may start with overall measurements, such as call scores, which progress toward specific CX improvements.

For example, the University of Pittsburgh Medical Center (UPMC) leveraged conversation intelligence to deliver a world-class patient experience, fostering a culture of commitment, accountability, and service excellence. By analyzing 100% of customer interactions, the team improved quality assurance (QA) efficiency and data-driven agent coaching, driving impressive bottom-line results.

Using insights from call scoring, UPMC's supervisors have better access to data to identify areas of opportunity and success across their teams. The use of conversation intelligence enables them to uncover insightful trends that might have previously gone unnoticed. This includes identifying instances of proactive call handling, which empowers the team to take appropriate action and enhance overall CX.

The team also uses silence times -- combined with transfer reports -- as indicators that agents were transferring calls to the assistance office and remaining on the line, instead of getting on another call. By focusing on behaviors and patterns like this, the analyst team delivers specialized coaching recommendations to managers and addresses these issues before they impact the patient experience.

MASTER

It's critical to continue to invest in your workforce and use AI to help your agents master their jobs. The more your teams coach and enable employees with data-supported guidance, the better they will perform – leading to stronger customer and employee satisfaction, better agent scores, and higher revenue. AI can also be a major asset for your managers and supervisors who oversee teams of contact center agents, enabling them to master their role in providing targeted feedback that empowers agents to excel at their careers.

For example, **Gant Travel's** initial conversation intelligence goals focused on automating their QA process – that in turn enabled a more effective coaching strategy. The technology uncovered inconsistencies in scoring across their contact center supervisors that the organization did not have visibility into previously. Using the analysis shown through their conversation intelligence dashboards, supervisors could see the progress agents were making in key areas. They could easily determine how widespread a problem was, so agents could address it quickly.

Agents now have time to review their customer interactions, and supervisors assist alongside their teams in a much more effective capacity.

Gant Travel has gained back much of supervisors' time from monitoring random calls and redirected it toward continuously sharing feedback with agents. As a result, there has been a 400% increase in frequency of feedback, driving a culture of continuous improvement.

ANALYZE

Successful organizations deploy AI and conversation intelligence to analyze the context of an interaction, and provide both real-time and post-conversation coaching, guidance and insights that result in better outcomes for the brand, customers, and employees. These insights can extend far beyond the contact center to your marketing, sales, product, and other teams.

One of the UK's largest debt collectors leverages AI to support vulnerable customers in real time and post-interaction. With the **cost of living continuing to rise,** customers often struggle to fully communicate their needs. The company's agents needed to identify when they were interacting with such customers, even when the customer did not make it clear what the issue was.

Using post-interaction conversation intelligence, the company identified acoustic triggers, words and phrases associated with what it termed "vulnerability," so agents could understand the needs of customers in future interactions, even if the individual did not fully disclose the details of their situation.

By combining these post-interaction insights with real-time conversation analysis, vulnerability triggers and agent guidance, agents receive helpful notifications that are highly relevant to a customer's needs and situation. As a result, the debt purchaser has experienced a 60% decrease in calls that failed due to the agent missing a vulnerable customer trigger.

NAVIGATE

In situations where customers call or send messages that do not have an applicable script or answer, AI can suggest the best option based on historical and situational analyses, helping your teams navigate complex requests, quickly solve problems, and offer solutions that meet customer needs.

The value of AI to navigate complex customer situations extends far beyond the contact center. For example, AI can also help your marketing team navigate potential crisis situations by detecting early warning signs of a crisis based on customer interactions on social media and in other channels. In addition, AI can help navigate complex product safety and warranty claim issues by analyzing customer interactions related to complaints about products/functionality — pre-empting recalls and ensuring continuous safety and other improvements.

For example, one consumer accessory company uses conversation intelligence to gather product data from 100% of its customer interactions. The team collects valuable, accurate data that the product quality and engineering teams use to inform product improvements, recalls, or other changes. This is particularly valuable when a customer calls in to fulfill a limited lifetime warranty.

The team primarily uses conversation intelligence to quantify how often a specific failure occurs and communicate the frequency of individual issues. Using this data, teams more accurately size the problem, and, in some cases, decide if they need to pull the product off the market and replace it.

The insights are shared broadly across the enterprise, as well. For example, the legal team uses them to determine whether the company is meeting regulatory requirements surrounding recalls and product changes. In addition, the marketing team leverages AI-powered analytics to refine the focus of campaigns, making them more accurate and relevant to consumers.

EMOTE

One of the biggest concerns about automation is that machines will not understand your customers as well as your people can. However, when executed properly, AI enables employees to become more emotionally intelligent over time by providing feedback that enables them to more appropriately emote and connect with their customers.

One example is by analyzing contact drivers, or a customer's perception of a situation. Many factors influence this perception, and a deeper dive reveals that **emotions and language** play a major role in contact driver analysis. Even though "emotion" and "sentiment" are sometimes used as interchangeable terms, they're not the same. In fact, sentiment analysis only tells you if someone reacts in a positive, negative, or neutral way.

Emotion, however, is far more complex. It drills deeper to go beyond "negative emotion" and puts a name to what a customer is feeling, like anger, disappointment, or frustration.

By understanding the emotions contained within contact drivers, your organization can make more informed business decisions. Combining the emotions behind contact drivers with root cause analysis can reveal even deeper insights.

For example, the tech support department of a cable company might get customer calls within the same day about the poor performance of their cable TV and internet services. A cable outage might produce emotions, such as dissatisfaction and inconvenience. A lack of internet, on the other hand, may prevent people from doing their jobs and lead to high levels of anger, stress, and frustration. As a result, the cable company would decide to tackle the internet problems first based on these emotional revelations.

Appendix

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📄 **The Contact Center QA "X Factor"**

📄 **5 Secrets of Top-Performing Contact Centers**

2023 Editorial Calendar

APRIL

Customer Contact Industry Review

MAY

Generative AI & Chatbots For Customer Contact

JUNE

CX Trends, Challenges & Opportunities

AUGUST

CCW Nashville Presents: Modernizing Service Experiences With AI & Digital

SEPTEMBER

Contact Center of 2030

NOVEMBER

Future of the Contact Center

FEBRUARY

Strategic Planning For CX Operations

February 9-11, 2023

APRIL

State Of Contact Center Technology

April 6-8, 2023

MAY

New Standards For Customer Contact Performance

May 25-27, 2023

JULY

Modernizing Service Experiences With AI & Digital

July 20-22, 2023

SEPTEMBER

Customer Experience Trends, Challenges And Innovations

September 14-16, 2023

OCTOBER

Business Continuity 2.0

October 26-28, 2023

DECEMBER

Future Of The Contact Center: A Forecast

December 14-16, 2023

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