MARKET STUDY

FUTURE OF THE CONTACT CENTER: A FORECAST
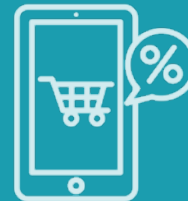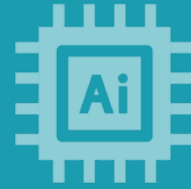
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INTRODUCTION

Say goodbye to debate over the value of the contact center. Say hello to conversation about how the contact center can *achieve* that value in today's rapidly changing world.

How will contact center strategy evolve to accommodate new customer behaviors and changing engagement preferences? How will companies navigate tricky balances related to digital and voice-based engagement or automation and agent-led support? How will companies navigate the "remote vs. on-site" debate at a time when employee expectations and standards are radically evolving?

The product of extensive research into the customer contact space, this Market Study has the answers. It reveals the priorities, visions, and preferences that will impact the makeup of the customer contact function – and overall customer experience strategy – in the years to come. It also reveals the success-threatening pain points and game-changing strategies that can break or make short- and long-term success.

After exploring the research and its ramifications, the Study closes with a "Practicality Guide" rich with inventive best practices, innovative technology recommendations, and case study examples.

METHODOLOGY & DEMOGRAPHICS

To compile research for Future of the Contact Center: A Forecast, CCW Digital surveyed contact center, customer experience, operations, marketing, digital strategy, and IT leaders in September and October 2021. The survey focused on big picture objectives, performance benchmarking, urgent priorities, lingering threats to success, and long-term projections.

Example respondent job titles included senior director of global operations, chief executive officer, director of workforce optimization, vice president of care management, head of customer experience, customer service manager, patient support manager, senior director of commercial operations, digital transformation architect, vice president of marketing, and director of CX.

Respondents represented companies of all sizes from numerous industries.

ABOUT THE AUTHOR

Brian Cantor
Principal Analyst, CCW Digital
Customer Management Practice

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 Some thought leaders refer to the current business landscape as the "era of customer centricity," and the majority of companies agree. They are most likely to assess the value of the contact center based on its ability to generate customer satisfaction and loyalty.

2 Contact centers can also prove their value by cultivating reputations for customer and employee centricity and driving increases in customer lifetime value.

3 Fragmentation remains a problem for the contact center, with "disconnected systems" and "disconnected channels" ranking as the leading operational pain points

4 Other noteworthy pain points include high agent turnover, an inability to successfully support remote work, and cumbersome processes.

5 Not all contact centers feel that COVID-19 meaningfully accelerated their digital transformations. About one-third actually believe their digital initiatives have progressed *more slowly than expected* over the past two years.

6 As it looks ahead to 2022, the customer contact community identifies improving customer-facing AI as a top priority.

7 Additional priorities include creating more seamless and effective experiences across and *within* channels, better leveraging employee-facing AI, and better managing customer journeys.

8 Although most businesses expect AI to play a meaningful role in the contact center of the future, none believes it will ever be the preference for all customer interactions. A non-trivial 31%, in fact, doubt that AI will emerge as the preference for *any type* of interaction.

9 Advocates of the traditional phone call have ample reason for optimism. Only 3% believe live phone conversations will become obsolete in the contact center of the future, and 85% believe *all customers* should have access to live voice agents. A whopping 40% believe all customers should have near-instant access to live phone support for all issues.

10 Hoping to elevate comfort and utilization rates in new channels, the majority of companies are working to elevate the quality of their digital experiences.

11 Other top digital priorities include increasing resources, adding more channel options, leveraging digital-specific experience innovations, and proactively inviting customers to use digital at key moments of truth.

12 Remote work is indeed here to stay. Only 12% of contact centers believe they will ever revert to a traditional, mostly on-site contact center model.

13 Increasing work flexibility ranks as the #1 strategy for combating high agent attrition.

14 Companies also view improved training and coaching, tools and systems upgrades, team-building and social functions, better rewards and incentives, and stronger career-pathing as valid antidotes to agent churn.

THE FUTURE (ROLE) OF THE CONTACT CENTER

The debate over whether the contact center is a "cost center" or "value center" has long been put to bed. By now, most companies accept the latter stance and recognize that the contact center can have a positive impact on their business.

The more contemporary debate focuses on *how* the contact center can most fruitfully impact the business. The answer to that question has significant ramifications on everything from C-level buy-in, to budgetary freedom, to metrics and key performance indicators. It will also open (or close) the door to cross-departmental collaboration. The wider the potential impact, the more likely other teams are to see merit in coordinating on vision, strategy, and technology investments.

Ultimately, today's companies believe the contact center is *best* assessed by its impact on the customer experience. Just shy of 53% say their contact center's business contribution will be measured by its ability to increase customer satisfaction; an equivalent number say their company will focus on its contribution to customer retention and loyalty.

There is nothing especially surprising about this hierarchy; as the gateway between a brand and its customers, it stands to reason that customer satisfaction and loyalty would rank as the top indicators of success. The finding does, however,

affirm the extent to which the customer experience has evolved from an insular customer contact focus into a greater business priority. Companies *care* about whether the contact center is driving these positive outcomes.

Other contact center value metrics include its success in creating a customer-centric brand reputation (44%), its ability to increase customer lifetime value (38%), and its effort to create an employee-centric image (37%).

Previous CCW Digital research has confirmed that many customers consider the customer experience when determining the brands from which to buy. It is therefore thoroughly logical that many companies depend on their contact centers to cultivate a reputation for customer centricity.

A contact center that delivers consistently impressive experiences is likely to drive favorable word-of-mouth and social chatter. That chatter becomes a valuable source of differentiation — a clear way to cut through the noise in today's increasingly crowded, competitive market landscape.

CCW Digital research has confirmed that the majority of customers will consider a competitor after just one or two bad experiences. They will also become *more loyal* to a brand that delivers stellar interactions that are simultaneously friendly and convenient. The contact

center, therefore, has the power to attract additional and longer-lasting spend from customers, resulting in a marked increase in customer lifetime value.

By virtue of reducing the need to seek support and minimizing handle time when customers do connect, a successful contact center will *also* reduce customer lifetime cost. That measure does not, however, represent an equivalently universal priority; only 21% say it affects their business' view of the contact center. The disparity offers further proof that today's businesses, though certainly aware of costs, are cognizant of the positive outcomes their contact centers can generate.

Just as companies are looking to cut through the noise in attracting customers, they are also aiming to attract talent in a more competitive labor landscape. Thanks to the

rise of remote work and a reassessment of their personal worth, today's job seekers are more empowered and confident than ever in their pursuit of the best possible career opportunity.

Given the sheer amount of hiring, the amount of marketplace competition, and the historical stigma associated with the function, the contact center can play an instrumental role in shaping a company's reputation with job-seekers. It is no surprise, therefore, that companies are increasingly relying on the contact center to favorably communicate corporate culture.

The expectation is also a very fair one; contact center leaders have long touted the connection between happy agents and happy customers. The time has come for contact centers to prove they can create those ecstatic employees.

Which of the following will be essential for measuring the value of your contact center/CX function moving forward?

Increase in "satisfaction" metrics like CSAT, Promoter, etc
52.56%

Increase in customer acquisition
35.90%

Increase in customer retention and/or loyalty
52.56%

Increase in customer lifetime value: more revenue/spend per customer
38.46%

Decrease in customer lifetime cost: fewer calls/resources required per customer
20.51%

Decrease in cost of overall customer support/service operation
25.64%

Decrease in overall interaction volume
19.23%

Volume shifts from expensive (live phone agent) to less expensive (self-service) channels
29.49%

Captures data that can improve customer-facing activities like sales, marketing, and service
30.77%

Captures data that can improve other areas like product development and IT infrastructure
23.08%

Improves brand's reputation with consumers (customers know you as a "customer-centric" brand)
43.59%

Improves brand's reputation with workers (potential hires know you as a "great place to work")
37.18%

Other (please specify)
1.28%

STATE OF THE CONTACT CENTER: LINGERING CHALLENGES AND EMERGING PAIN POINTS

Companies hope that the contact center of the future will drive increases in customer satisfaction, retention, and lifetime value, while creating a more favorable reputation with consumers and potential employees.

To turn hope into reality, contact centers will have to overcome an assortment of new and lingering pain points. They will have to ensure their employees and systems are in position to connect with customers throughout the entire journey.

Which pain points and inefficiencies are most notably thwarting success? For today's contact centers, the most common answers include disconnected systems (51%), disconnected channels (43%), high agent turnover (33%), systemic inability to support remote work (31%), and cumbersome processes (31%).

Concepts like unity, alignment, gap-bridging are popular topics across all business functions, and they have particular relevance in the contact center. Systems notoriously "do not talk to each other," with the typical

company saying that agents have to access multiple screens and systems during even the most routine customer interactions. With customers introducing more complex inquiries and exhibiting higher standards, agents' inability to seamlessly access all tools and data will only become more costly in the years ahead.

Troublingly, the difficulty agents face within interaction is only one facet of the challenge. Companies with disconnected systems will struggle to gather valid operational data and automate meaningful processes. They will also struggle to collaborate with other departments, as gaps in systems inevitably drive wedges in strategic alignment.

Not simply about back-end systems, operational misalignment is also visible — and costly — across contact channels. If customers face hurdles in moving from touch point to touch point — an expected behavior in today's omnichannel world — their frustration will rise and their satisfaction and loyalty will fall.

Beyond hurting customer perception, fragmented channels undermine productivity. When data does not flow seamlessly between channels, agents will have to start from scratch each time they interact with transferring customers. As they further frustrate customers, these repetitive questions will increase average handle time and compound agent dissatisfaction.

A product of ineffective systems, frustrating workflow, insufficient compensation, and unappealing corporate cultures, high agent turnover is *also* an operational pain point. When agents leave, they take their expertise and training time with them. Their departure forces companies to invest more time and resources into recruiting and onboarding agents who are harder to find in today's landscape *and* unlikely to match the productivity of experienced ones. Companies will be exerting more effort for less reward.

Retaining agents is for naught, however, if companies do not *enable* them to perform. The rise of remote work has exacerbated the enablement challenge, forcing companies to ensure they have the technology and processes to keep outside agents engaged, motivated, trained, and empowered. Despite spending two years in a world governed by COVID-19, many companies have yet to build a contact center framework that can span office walls and geographic borders.

Cumbersome processes have long reigned as a contact center pain point, with consumers and business leaders joining in their mockery of antiquated forms and supervisor approval. The simultaneous rises of work-from-home and digital self-service have only amplified the harm of these processes, as employees and customers have both a greater expectation of autonomy and a lesser ability to receive support for navigating complex processes. An at-home agent does not always have easy access to a supervisor who can "approve" resolutions, which means the prospect of delivering a fast, frictionless, personalized experience is far dimmer.

As we approach 2022, which of these operational "pain points" are affecting your contact center?

Contact center systems and tools are too fragmented and disconnected
51.28%

Contact center systems and tools are too hard to use
16.67%

Contact center systems and tools are too hard to scale or upgrade
19.23%

Contact center systems and tools don't sufficiently support remote/hybrid work
30.77%

Contact center systems and tools aren't compatible with enough devices (such as mobile)
21.79%

Cumbersome processes (lengthy authentication, too much "approval" required to help customers, etc)
30.77%

Security practices are too restrictive
19.23%

Digital channels are not effective
12.82%

Phone channel is not effective
10.26%

Channels are not seamlessly connected (we're not "omnichannel")
42.65%

Automation investments are not effective / not improving employee productivity
14.10%

Ineffective (or insufficient) recruiting and hiring
15.38%

High agent turnover
33.33%

Current employees lack the necessary skills and/or knowledge
23.08%

Training is ineffective
5.13%

Knowledge bases are ineffective
25.64%

Routing is not connecting customers to the most suitable agent
17.95%

Workflow design and allocation does not allow agents to focus on the most suitable tasks
19.23%

Trouble monitoring, managing or engaging remote workers
19.23%

Not enough actionable customer and/or operational data
26.92%

Lack of collaboration/support from other business units
19.23%

Ineffective contact center/CX leadership structure
12.82%

DID COVID-19 REALLY "ACCELERATE" THE DIGITAL TRANSFORMATION?

A popular thought leader narrative contends that the COVID-19 pandemic greatly accelerated the digital transformation. Does the claim hold water?

On the one hand, digital engagement has *clearly* gained traction over the past two years. Customers are not only more likely to connect with brands via chat, messaging, and social media but more comfortable using them. They are also more confident that digital interactions will produce valuable resolutions.

On the other hand, pain points like disconnected systems, fragmented channels, cumbersome processes, and inflexible contact center frameworks are still commonplace. And while customer *comfort* with digital channels is at an all-time high, customer *satisfaction* with these channels continues to lag behind that for traditional phone interactions.

The idea that contact centers suddenly broke from their infamous operational inertia and transformed into digital-first organizations is therefore worthy of meaningful exploration.

The exploration reveals that 26% of companies feel their progress toward a digital transformation has been "as fast as expected" over the past two years. Although the statistic does not *condemn* the progress companies have made, it questions the notion that COVID-19 accelerated the innovation process.

An equivalent 26% of companies, moreover, contend that their digital transformation has actually been *somewhat slower than expected* over the past two years. An additional 6% say that their digital journey has been going much *slower than expected*.

The majority of companies, therefore, dispute the idea that COVID-19 accelerated digital adoption.

Granted, support for the contemporary thought leader cliche *does* exist. More than 19% say their transformation has been much faster than expected, and 15% say it has been somewhat faster than expected.

Ultimately, however, it is clear that the customer contact community is not yet in position to celebrate a mission being accomplished. The typical organization has plenty of work to do in terms of strengthening its digital experiences and modernizing its contact center framework.

How would you assess your contact center/CX team's progress toward a "digital transformation" over the past two years?

- **19.23%** Much faster/more successful than expected
- **15.38%** Somewhat faster/more successful than expected
- **25.64%** About as fast/successful as expected
- **25.64%** Somewhat slower/less successful than expected
- **6.41%** Much slower/less successful than expected
- **7.69%** Not applicable - we were either already 100% digitally transformed or have no interest in digital

PLAN FOR THE CONTACT CENTER: PRIORITIES FOR 2022 AND BEYOND

Whether their immediate focus is driving innovation, generating positive value, or eliminating long-standing pain points, contact center leaders have numerous initiatives and investments to consider. Given time, budget, and resource limitations, not all will make the cut.

One initiative that will take priority in many organizations, however, is the improving customer-facing artificial intelligence. A significant 46% of companies believe solutions like chatbots and intelligent routing can lead their contact center to a more fruitful future.

Other high-ranking priorities include creating seamless experiences *across* channels (42%), improving the use of AI for employee productivity (41%), improving experience quality *within* digital channels (40%), and better mapping and orchestrating customer journeys (37%).
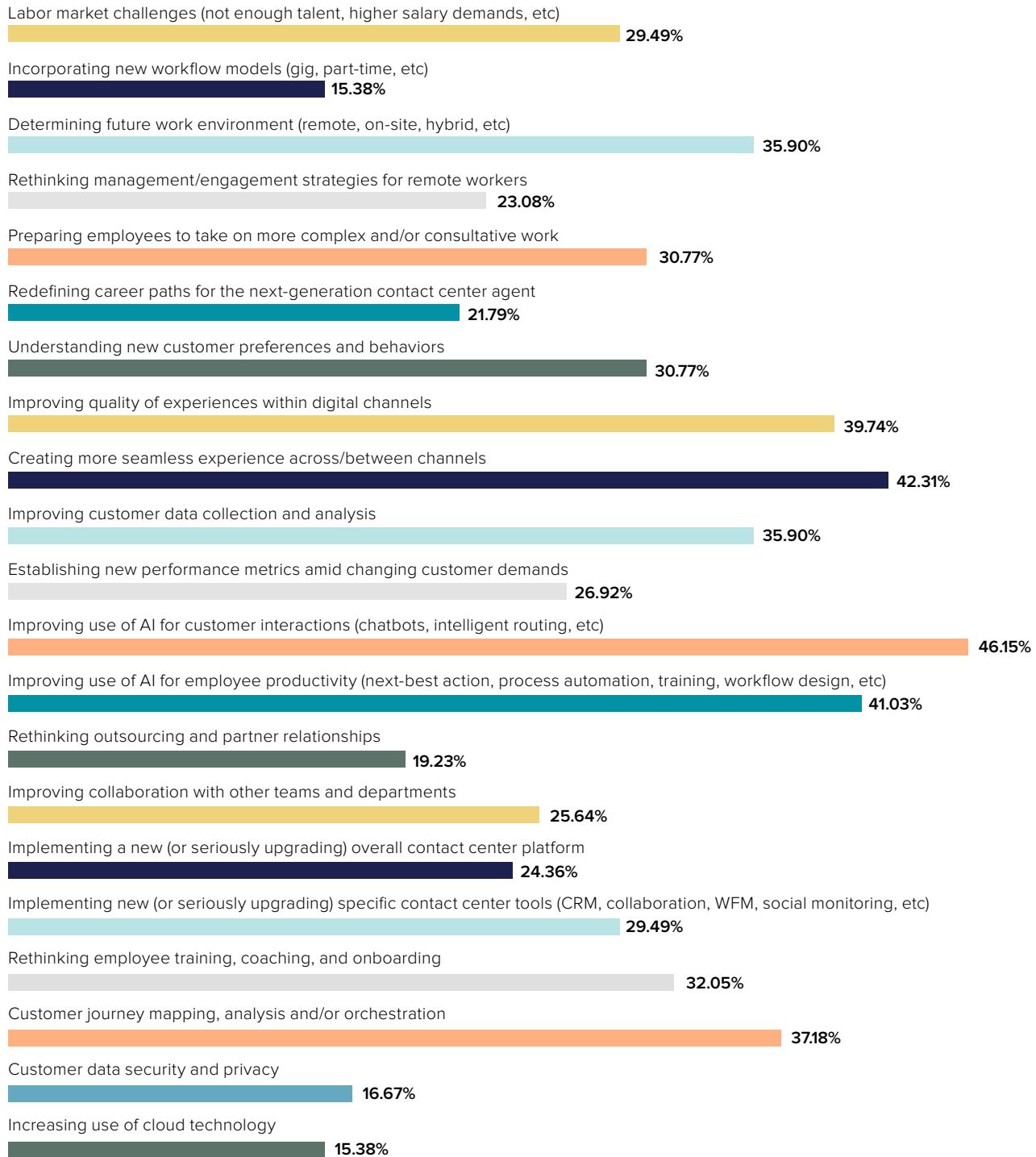
Collectively, the priorities reflect a desire to *modernize* the contact center operation and create experiences that are more efficient, more aligned with customer preferences, and more capable of yielding meaningful connections.
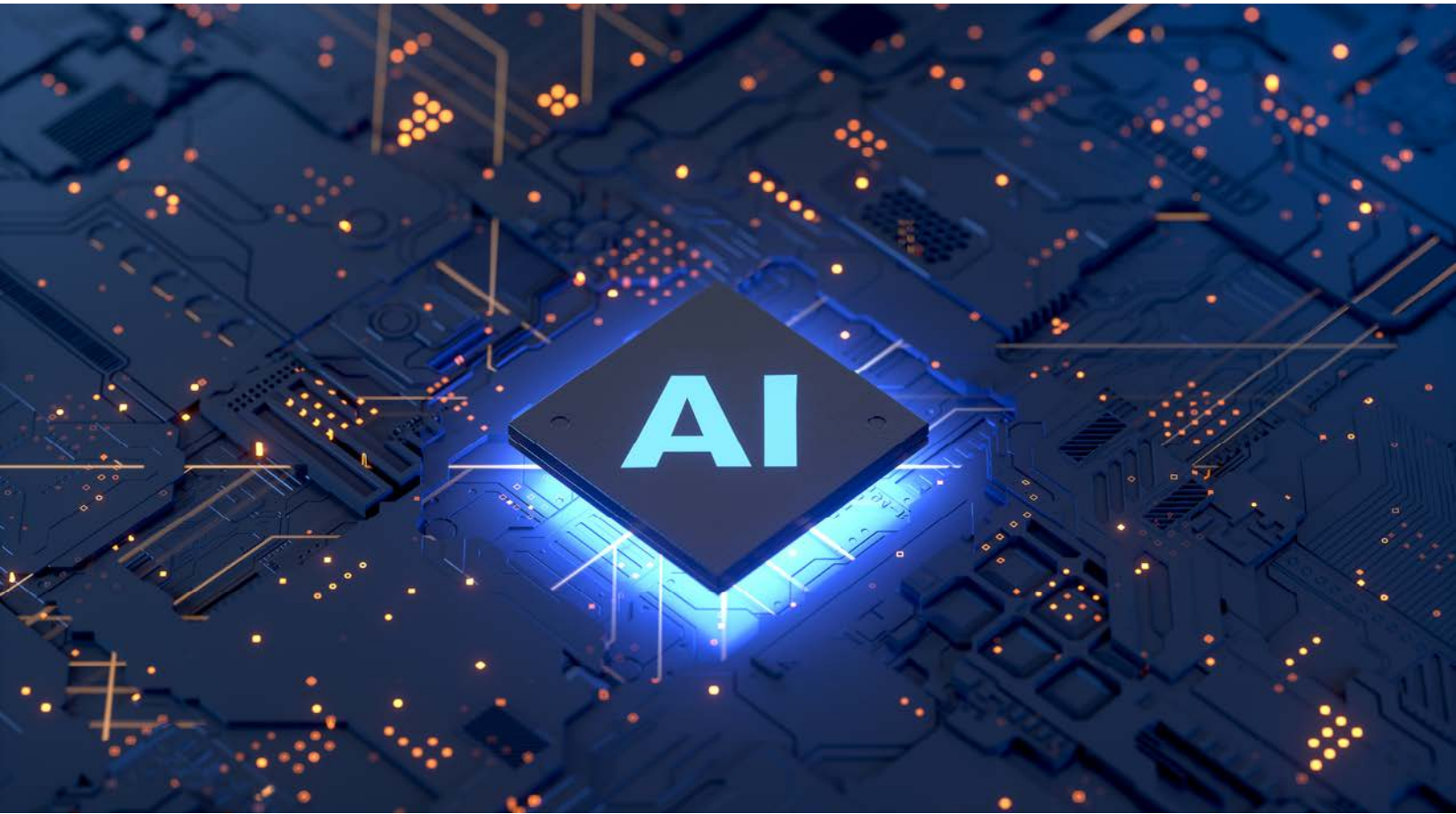
Whether deployed on the frontend or backend, AI reduces the hurdle to *relevant* customer interactions. Better chatbots yield more effective customer service, while intelligent routing ensures those who do need to escalate go directly to the most suitable agent. Because AI is freeing agents from grunt work and providing more useful data and guidance, they will be especially *likely* to build a strong rapport with the customer.

By simultaneously elevating individual digital experiences *and* improving integration between channels, companies turn the long-elusive idea of "meeting the customer on their terms" into a tangible reality.

A more deliberate, strategic approach to customer journeys will further reduce customer effort, while maximizing the value of each and every interaction.

Which of these focuses will be top-of-mind for your contact center and/or CX function going into 2022?

Labor market challenges (not enough talent, higher salary demands, etc)
29.49%

Incorporating new workflow models (gig, part-time, etc)
15.38%

Determining future work environment (remote, on-site, hybrid, etc)
35.90%

Rethinking management/engagement strategies for remote workers
23.08%

Preparing employees to take on more complex and/or consultative work
30.77%

Redefining career paths for the next-generation contact center agent
21.79%

Understanding new customer preferences and behaviors
30.77%

Improving quality of experiences within digital channels
39.74%

Creating more seamless experience across/between channels
42.31%

Improving customer data collection and analysis
35.90%

Establishing new performance metrics amid changing customer demands
26.92%

Improving use of AI for customer interactions (chatbots, intelligent routing, etc)
46.15%

Improving use of AI for employee productivity (next-best action, process automation, training, workflow design, etc)
41.03%

Rethinking outsourcing and partner relationships
19.23%

Improving collaboration with other teams and departments
25.64%

Implementing a new (or seriously upgrading) overall contact center platform
24.36%

Implementing new (or seriously upgrading) specific contact center tools (CRM, collaboration, WFM, social monitoring, etc)
29.49%

Rethinking employee training, coaching, and onboarding
32.05%

Customer journey mapping, analysis and/or orchestration
37.18%

Customer data security and privacy
16.67%

Increasing use of cloud technology
15.38%

FUTURE OF ARTIFICIAL INTELLIGENCE

Customer-facing AI may be a paramount priority for many contact center teams, but it will not spell the death of live agent interactions. Not one of the surveyed professionals, in fact, foresees a future in which AI-driven self-service will be the preference for *all* interactions.

What role will AI play in the future of the contact center? What human conversations will it eliminate?

According to 38%, it will emerge as the preference for simple support or transactional issues, with agents handling the balance of customer communication. Another 31% believe AI will emerge as the preference for simple *and* moderate inquiries. Per the popular thought leader adage, agents will nonetheless remain involved in complex conversations.

Not all companies, however, are as bullish about the buzzy technology. A non-trivial 31% believe AI will *never* become a preference for any conversation. They believe it will always remain a secondary option, with the typical customer preferring an agent for most or all interactions.

AI absolutely *can* handle certain transactions and inquiries better than a human agent. Changing a delivery order via a messenger bot with a clear, visual menu, for example, is *clearly* easier than trying to explain the change over the phone to a busy employee in a crowded restaurant.

The fact that one-third of companies *doubt* AI's ability to become a preference is not, therefore, necessarily rooted in an objective comparison. Rather, it likely speaks to disillusionment with existing AI results *and* concern over customer perception.

Previous CCW Digital research offered a sobering revelation about AI: the overwhelming majority of organizations have yet to experience significant ROI from their investments. They are yet to experience the transformation technology advocates have long been trumpeting.

In many cases, the inefficacy of their customer- and agent-facing AI deployments are actually decreasing employee productivity and customer satisfaction. When bots do not work successfully, they increase customer effort and frustration. These customers then project their negative sentiment onto agents, who cannot provide efficient support because their *internal AI* is not providing the right guidance. These agents ultimately spend more time on calls with customers who are particularly unlikely to express satisfaction.

When bots fail to solve problems, a reality that has been all-too-common over the past decade, they also create a negative customer perception. Customers consequently express a clear desire to go straight to a live agent on future interactions, creating pessimism among business leaders about whether the market will ever adopt AI as a preference.

This analytical well is, of course, poisoned by virtue of the fact that many companies are not deploying bots in the correct moment of their journey, not arming their bots with a singular, unified wealth of company knowledge and customer data, and not tapping into the *conversational* abilities of AI. Contemporary bots often come across as fancy FAQ pages, thus offering no discernible advantage to the customer while doing little to collect data that can be useful to the agent.

If companies take a more strategic, design-driven approach to their AI deployments and *arm* their bots and virtual assistants with conversational capabilities and human-led design, they can create self-service experiences that live up to the marketing hype. Upon doing so, they will start to chip away at customer skepticism.

By 2025, what role do you realistically see AI self-service playing in customer support?

- **19.23%** AI will remain a secondary option / most interactions will still involve an agent
- **15.38%** AI will be the preference for transactions or simple support issues / most others will generally involve an agent
- **25.64%** AI will be the preference for simple and moderate support issues / complex ones will generally involve an agent
- **25.64%** AI will be the preference for all support issues / agents will mostly transition into non-support roles

FUTURE OF THE PHONE CHANNEL

At a time when even digital-first natives are emphasizing traditional voice interactions — online financial powerhouse Robinhood launched 24/7 phone support in October 2021 — it would be absurd to suggest the phone channel is approaching extinction. Less than 3% of companies, in fact, believe the phone channel will become obsolete.

With all the emphasis on digital transformations and low-touch channels, it is, however, worth considering whether phone will play a dwindling role in the future of the contact center.

For a substantial number of contact leaders, the answer is a resounding no.

A whopping 40% believe customers should always have *easy or instant* access to a live phone agent for all issues. Since it would be overly optimistic to say that anywhere near 40% of companies are *currently* offering that caliber of phone support, the statistic indicates that many companies plan to strengthen their voice offering in the years ahead.

An additional 27% also aim to extend phone support for all issues, but they believe customers should have to interact with an IVR before reaching a live agent. The approach has merit in theory, but its success hinges on companies eliminating the friction, confusing menus, and impersonal questions that have become synonymous with the IVR platform.

Another 18% share support for a gatekeeper approach, but they believe the customer should have to start in a *digital* channel as opposed to a phone-based IVR. Some companies have already begun to passively implement this policy; their websites prominently tout digital offerings while making phone numbers exceedingly difficult to find.

Granted, not all companies support broad access to phone support. Just over 10% believe phone should only be available for high-priority issues, while just shy of 3% feel it should be exclusive to VIP customers.

Thought leaders often speak of a theoretical dichotomy in which digital channels are optimal for typical issues and phone conversations are best for high-value interactions.

The noted 13% of companies plan to achieve that dichotomy through policy.

Which best describes the role phone should play in the contact center of the future?
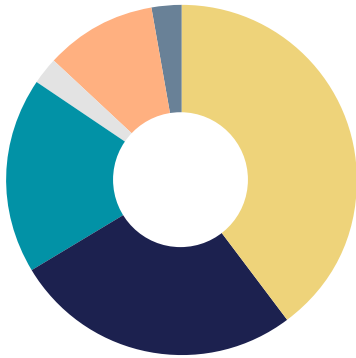
39.74% All/most customers should always be able to easily/instantly access a live phone agent

26.92% All/most customers should always be able to call, but they should have to go through an IVR before reaching a live agent

0.00% All/most customers should have access to an IVR, but access to live phone agents should rarely/never be offered

17.95% All/most customers should have access to call, but only after first attempting to address issue digitally

2.56% Only VIP/high-value/specialty customers should have access to call

10.26% Only customers with complex/high-priority/specific issues should have access to call

2.56% No one should have access to call; phone will be obsolete

READYING CUSTOMERS FOR DIGITAL

Digital comfort has reached an all-time high in the wake of the COVID-19 pandemic, but there is still considerable room for growth. Many customers continue to default to phone for issues that can — and often *should* — be handled via chat or messaging. More importantly, customer satisfaction levels for digital interactions remain underwhelming.

For 51% of companies, the situation is ultimately one of quality. These organizations plan to boost digital comfort and utilization by delivering a higher standard of engagement. The belief is that when customers have fast, frictionless, personalized, and resolute experiences in digital channels, they will grow more likely to *choose* such channels in the future.

Other popular digital enhancement efforts include increasing resources (45%), adding additional channel options (41%), leveraging "digital" advantages like media sharing and fast authentication (38%), and proactively popping up digital options during the user experience (35%).

Convenience is a pivotal driver behind the digital revolution; by allocating additional staff and other resources to digital channels, companies increase speed and availability. As customers become confident that they can save time without sacrificing quality, they will become more likely to enthusiastically engage in digital environments.

Accommodating additional channel options also contributes to convenience. When customers can engage in the channels they are already using, as opposed to having to download native applications or navigate clunky websites, they are more likely to see the merit in digital communication.

Companies that pop digital options up within the user experience further play the convenience card; customers are less likely to go through the effort of calling a brand when a viable option is staring them in the face.

All channels are not created equal; phone and digital each offer distinct advantages. By highlighting those advantages, companies will turn digital into a *preference* — as opposed to an acceptable option — for some issues.

What steps are you taking to improve use of and/or comfort with digital customer engagement options?

Adding more digital channels/options

41.03%

Hyping digital support as superior option on website, following calls, in IVR ("avoid a wait by texting"), etc

30.77%

"Tanking" phone by reducing staff/hours, leading to longer wait times, etc

6.41%

Forcing customers to use digital first / restricting phone support to certain issues, removing # from website, etc

10.26%

Proactively popping up digital options in product, on website, in app, etc

35.90%

Offering incentives to engage in digital channels (discount for using text, etc)

14.10%

Adding resources to digital channels, thus improving availability and speed

44.87%

Elevating quality standard in digital, leading to more customer satisfaction and trust

51.28%

Leveraging "digital" advantages like fast authentication, media sharing, etc to demonstrate value over phone

38.46%

FUTURE OF THE CONTACT CENTER WORK ENVIRONMENT

In the early stages of the COVID-19 pandemic, contact center leaders gained a front row seat to the viability of remote work. Although it was by no means without challenges and concerns, remote work *did* allow companies to continue developing products and continue connecting with customers in trying, uncertain times.

Content with the early results, contact center leaders began making bold statements about the future of remote work. Most declared that remote work would forever be an option for at least some employees, and some questioned whether they would ever bring agents back to a physical site.

One question nonetheless continued to linger: what would happen once COVID concerns subsided and re-opening the office became a legitimate option? Would the supposedly pro-remote work decision-makers walk their talk?

Over time, the conversation gained a new dimension: the voice of employees. As employees became set in their new daily routines, they became increasingly attached to the prospect of working from home. For some, the previously inevitable idea of going into the office full-time was no longer tolerable, let alone appealing.

The decision a company makes is not, therefore, merely a reflection of leadership's personal belief in the remote work model. It is not merely an assessment of whether the company's systems and processes can sustain a permanently distributed workforce. It is not merely a balancing of the benefits and costs remote work imposes on productivity, creativity, and team synergy. It is also a statement on what types of employees the contact center will be able to attract and retain moving forward.

Taking the full gamut of considerations into account, most contact centers plan to permanently maintain at least some form of remote work. Only 12% believe they will revert to a primarily on-site model.

The majority of organizations will instead adopt hybrid models.

The most popular hybrid option, one in the cards for 40% of companies, will be hybrid by task. Under this model, employees will come into the office for certain tasks (like training and collaboration) and work remotely for others.

Other hybrid options focus on role (16%) and more random factors (3%). The former will use factors like seniority and job function to determine if and when employees need to come into the physical office. The latter will determine employees' work environment based on variables like last name or day of the week.

Some companies, meanwhile, believe in remote work as a full-time option. A substantial 15% of companies say they plan to allow agents to spend most of their time working in any location. Another 5% will focus on work-from-home in which agents will not have to come into the office but *will* have to work in close proximity to the physical site.

Just over 6% of companies have yet to make a decision, and 5% will *not* institute a policy. Their offices will be open, but agents will have complete autonomy over whether to come in or stay at home.

Which best describes the contact center workforce model you expect to permanently adopt moving forward?
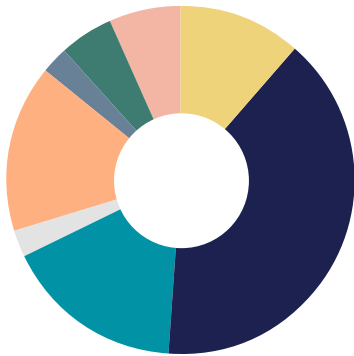
11.54% Primarily On-site: Most agents will spend most of their time in the office

39.74% Hybrid By Task: Agents will come into the office for certain tasks (training, collab, etc) and work remotely for others

16.67% Hybrid By Role: Time spent in office vs. remote will depend on factors like seniority, job type, team, etc

2.56% Hybrid By Other: Time spent in office will hinge on any other factors, such as last name, day of week, lottery, proximity to site, etc

15.38% Primarily Remote (No Restriction): Most agents will spend most of their time working remotely, in any location

2.56% Primarily At-Home: Most agents will work remotely, but they will have to live close to office (for reasons like logistics or taxes)

5.13% No Policy: Agents will have full autonomy to choose if/when they come in

6.41% Unsure: Have not yet made a firm plan/decision

INCREASING AGENT RETENTION

As contact center leaders contemplate various remote, hybrid, and on-site workforce models, they are facing another, even broader workforce challenge: agent retention.

High agent turnover represents the third-biggest pain point facing today's contact centers, and its impact will only grow moving forward.

As employees reassess their self-worth, reevaluate their career ambitions, and reconsider their work-life preferences in the wake of COVID, they suddenly have access to infinitely more career options. Able to work remotely, employees no longer have to settle for monotonous, low-paying, tedious jobs at unspectacular brands in their nearest city. They have more power than ever to pursue the career — and attain the salary and perks — they want.

Contact centers that relied on inertia and complacency to keep their seats full and phone lines open are now at a heightened risk of losing talent and enduring the cost that comes with it.

Said cost is only rising. As agents increasingly focus on complex interactions, their expertise with a company's products and familiarity with its vision will become exponentially more important. Readying agents to fill the void left by seasoned ones will be more expensive, time-consuming, and downright challenging than it ever has been.

Making matters worse, the same factors that make it harder to keep great agents are increasing the difficulty of *attracting* great agents. More confident and empowered

than ever before, today's job-seekers are not settling for the first "help wanted" ad that enters their field of vision.

A strategy for improving agent retention, therefore, represents a cornerstone of the contact center of the future.

For 49%, the strategy will involve turning the *challenge* into the *solution*. Unwilling to lose agents due to their workforce model, these companies will offer additional flexibility. From doubling down on remote work to introducing unorthodox scheduling options, these companies will better accommodate employee work preferences.

Other retention strategies include improving training and coaching (44%), improving contact center tools and systems (41%), increasing team-building and social functions (38%), increasing perks, rewards, and incentives (37%), and improving career-pathing and growth opportunities (37%).
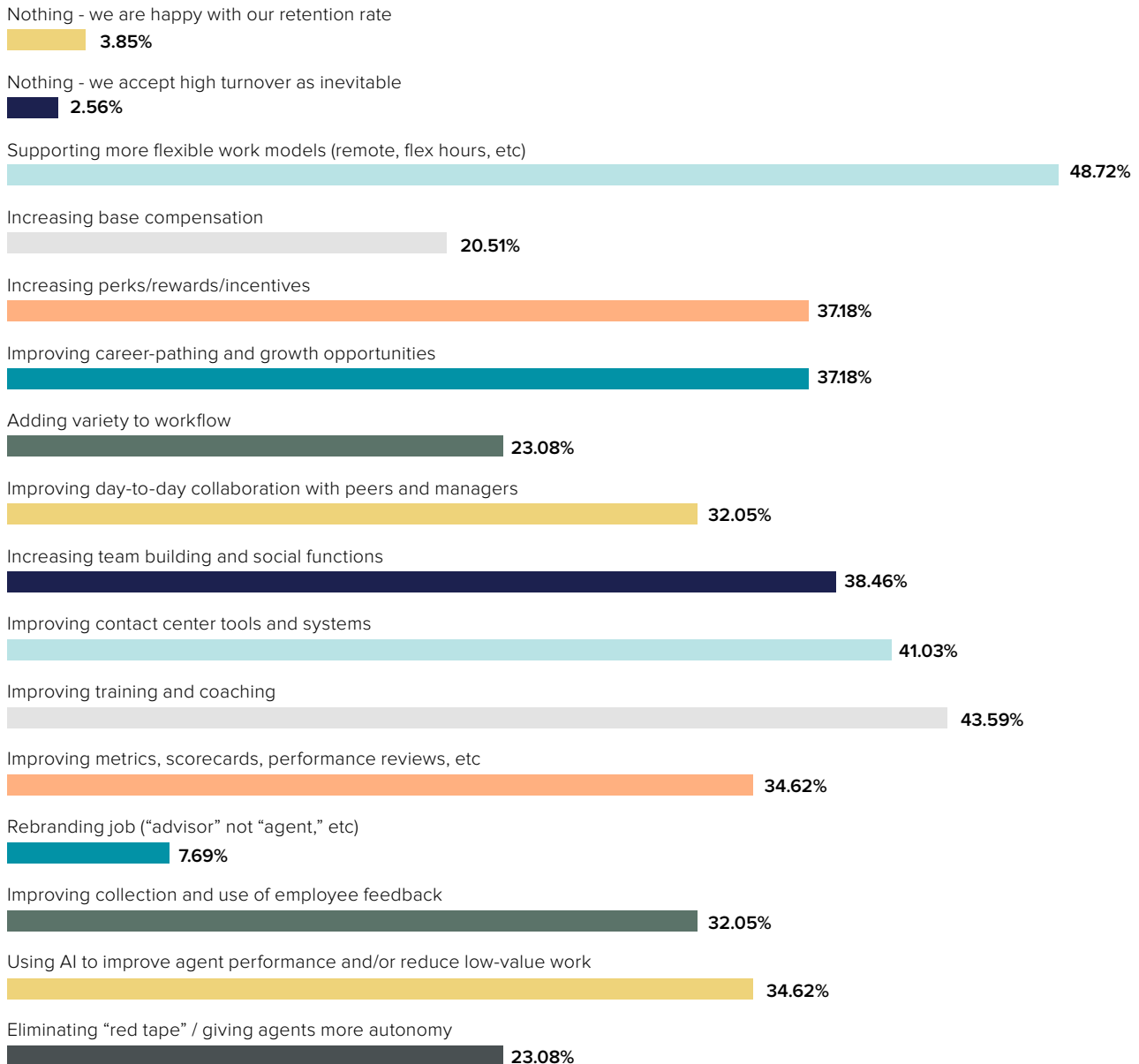
By improving coaching, companies will empower their agents to have more successful, productive interactions with customers. Free from the frustration of angry customers or exhausting conversations, these agents will derive more joy from their daily tasks and become more likely to stay for the long haul.

Stronger coaching also communicates the company's *investment* in its agents. Coupled with a greater emphasis on career trajectory, this visible investment will make employees feel more appreciated — and more confident in their future opportunity within the business. From confidence comes loyalty.

Improving contact center tools will eliminate the day-to-day frustration of the job, thus addressing a major driver of agent dissatisfaction and churn. Camaraderie exercises will help employees build an affinity for the social aspect of the company and its culture. Employees who *like* the people with whom they work are far less likely to search for an exit.

For as much as they care about tools, team-building, and other facets of the day-to-day experience, employees *do* seek the best possible compensation. Although only 21% of businesses are ready to increase base compensation, a substantial 37% will incentivize employees (and simultaneously drive better performance) with perks and rewards.

Which of the following will you/are you employ(ing) to improve agent retention?

Nothing - we are happy with our retention rate
3.85%

Nothing - we accept high turnover as inevitable
2.56%

Supporting more flexible work models (remote, flex hours, etc)
48.72%

Increasing base compensation
20.51%

Increasing perks/rewards/incentives
37.18%

Improving career-pathing and growth opportunities
37.18%

Adding variety to workflow
23.08%

Improving day-to-day collaboration with peers and managers
32.05%

Increasing team building and social functions
38.46%

Improving contact center tools and systems
41.03%

Improving training and coaching
43.59%

Improving metrics, scorecards, performance reviews, etc
34.62%

Rebranding job ("advisor" not "agent," etc)
7.69%

Improving collection and use of employee feedback
32.05%

Using AI to improve agent performance and/or reduce low-value work
34.62%

Eliminating "red tape" / giving agents more autonomy
23.08%

PRACTICALITY GUIDE:

CUSTOMER EXPERIENCE CASE STUDIES, EXPERT TIPS, AND PRACTICAL EXERCISES THAT YOU CAN BRING BACK TO THE OFFICE.

CallMiner

DEMOCRATIZING YOUR CUSTOMER DATA: UNLOCK BUSINESS VALUE FROM CONTACT CENTER TO C-SUITE

The future of the contact center is about more than just improving KPIs like agent performance or average handle time – it's rooted in the ability of executives to use insights from customer conversations to drive enterprise-wide business performance improvement

While many organizations like to claim that they're data driven, many teams still operate on instinct. **According to Gartner,** most companies base more than half of their decisions on gut feel.

What's preventing teams from making data-driven business decisions when they're awash in data? Incredibly, **2.5 quintillion bytes of data** is being created worldwide every day. And 90% of the data that's ever been created has been created in just the last two years. That's 2.5 quintillion bytes of new information that could be used to close the next enterprise deal or create a best-selling product.

While a wealth of artificial intelligence (AI) and machine learning (ML) tools are available to collect and analyze data, the barrier to entry is often too steep for the average business leader who wants to apply data to practical use cases. What's more, many organizations collect data from their customer conversations that gets stuck in the contact center. While applications, like improving agent performance, are important, that data isn't being leveraged to its full potential to drive enterprise-wide business performance improvement.

Customer conversations, when understood at scale and across channels, have the potential to drive business-wide performance improvements that impact your bottom line. It takes unlocking these insights and making them accessible for anyone across the enterprise to interpret and use on the job, regardless of their department or position.

Conversation analytics is one potential answer. These powerful platforms capture and analyze customer conversations happening across your business and bringing to light the intelligence that exists in those interactions. These insights can be used across departments to make better decisions, such as what product updates should be brought to market faster or how to change marketing campaigns based on what your customers are telling you.

It's time that these business-impacting insights are made available to more people across your organization. It's time to 'democratize' your data, so that more leaders can drive concrete, measurable business changes successfully within your organization.

DEMOCRATIZATION & BEYOND: UNLOCKING BUSINESS IMPROVEMENTS FROM CUSTOMER DATA

For the past five years or so, there has been much discussion around the concept of data democratization. Simply defined, data democratization means making data accessible to the average business user, despite their level of expertise. Many organizations strive toward this goal and are investing in the right technology. For example, **research from Forrester** shows that 85% of IT decision makers are prioritizing the use of AI and ML to modernize their customer experience (CX) in the next 12 months. However, providing access to a customer data and analytics platform is just step one.

From there, it's critical to help your business users *understand what they can do* with the data that's available to them. You can use AI to uncover the opinions, behavior and emotion of customers at every touchpoint in their buying journey. Armed with that data, your business users can take targeted steps to drive business performance improvements at across department operations.

Let's break it down with an example. Analyzing every customer interaction (and these interactions in aggregate) can result in first, second, third-order effects that drive measurable business results.

- **First-order:** Using a conversation analytics platform, your customer service agents can immediately identify areas to improve their performance based on what they're saying during customer interactions. These platforms can provide real-time feedback on what to say when a customer is frustrated or mentions a competitor. This level of feedback can dramatically improve call outcomes and reduce customer churn.

- **Second-order:** Your supervisors can use these analytical insights in aggregate to compare notes and find best practices for how to coach and train their customer support teams. This additional coaching can lead to increased job satisfaction and retention for agents on the front lines.

- **Third-order:** Your product team can analyze insights from customer calls over a certain time period. They may find that customers are continuously asking for a certain feature that isn't available yet, or request changes to one that already exists. They can use this data to inform and prioritize their product pipeline. Listening to the voice of the customer (VoC) to drive product improvements generates bottom-line revenue.

This level of data-driven business change doesn't happen overnight. It comes with a certain cultural shift that may seem painful for organizations that are used to operating on instinct rather than data. Another common problem is the perception that data is only available for those who can create the models themselves. Overcoming these cultural barriers isn't always easy.

With the right level of executive support, teams can learn to trust the output of conversation analytics platforms, and put processes into place that verify and measure that trust with real business KPIs.

HOW CONVERSATION ANALYTICS IMPACTS BUSINESS KPIS

Conversations via phone, text, chat, email, web, and social media are full of unstructured data and unsolicited feedback that can offer insight into the mindset of a customer. Unsolicited feedback, such as acoustic measurements,

emotion, context and more, are important details that are only uncovered by deeply understanding customer interactions, and offer stronger insights than post-interaction surveys alone. Conversation analytics can convert that information into structured data you can search, analyze, categorize, and score to develop actionable intelligence and measure business performance.

For example, in a mid-sized outerwear company with 300 people in its contact center, the average agent may talk to customers approximately 40 times a day. That adds up to a staggering 12,000 calls per day. Trying to manually gain insights from these types of data is overwhelming, if not impossible.

Let's imagine there were 85 calls on Monday in which customers complained about a shortage of green down vests in the northeast. Imagine being able to structure this data and aggregate these insights so the product, marketing and sales teams can operationalize them. In this case, that would mean getting the additional inventory to the right location in a timely manner, and maybe even providing customers with a discount for their inconvenience to encourage loyalty.

Even though the data originates from customer conversations, the insights from customer interactions can transcend the customer service team or contact center.

- In **marketing**, understanding how people respond and react to your promotions provides a wealth of knowledge for optimizing campaigns to increase conversions.

- In **product development,** the insight and feedback gleaned from customer conversations can reveal how products can be improved to satisfy needs and wants.

- **Sales teams** can better understand what techniques resonate most with customers and prospects, and apply those best practices across teams.

- **Finance professionals** can better understand customer pain points to make understanding and paying bills as easy as possible, improving cash flow and reducing the cost of collections.

- **Risk and compliance** teams can benefit from constantly monitoring how agents are communicating with customers to improve training and ensure regulatory compliance.

The future of the contact center is one where the insight uncovered in customer conversations are used to transform the entire business, from contact center to C-suite. And to truly empower your business leaders and the end users of data from the top down and bottom up, it's crucial to adopt solutions that can help teams generate actionable insights that convert to measurable business outcomes.

APPENDIX

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📄 **The Role of Conversation Analytics in Creating the Next Gen CIO**

📄 **Driving Business Improvement with Conversation Analytics**

MEET THE TEAM

Brian Cantor
Principal Analyst, Director
CCW Digital
E: Brian.Cantor@customermanagementpractice.com

Simon Copcutt
Head of Strategic Accounts
CCW Digital
E: Simon.Copcutt@customermanagementpractice.com

Andy Kuang
Marketing Manager
CCW Digital
E: Andy.Kuang@customermanagementpractice.com

Matt Wujciak
Staff Writer & Editor
CCW Digital
E: Matt.Wujciak@customermanagementpractice.com

Emily Dunn
Marketing Manager
CCW Digital
E: Emily.Dunn@customermanagementpractice.com

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