

CONTACT CENTERS

2021 REPORT

CX Network presents advice from our panel of industry experts on how to optimize contact center methodology over the next 12 months

DISCLAIMER:

The information in this piece does not constitute as legal advice and so should not be regarded as such.

Foreword

Contact centers are becoming a key component of customer experience (CX) strategies, moving beyond their traditional role as a resource to troubleshoot user issues. These units enable organizations to interact with customers on issues that matter to them and expand brand rapport by providing much needed service support.

This unique positioning allows contact centers to play a particularly key role in future-proofing a brand's customer loyalty and retention. These hubs can act as goldmines by informing future process and product innovations through the collection of valuable insight on what consumers want most and the issues causing them frustration.

The disruptive impact of Covid-19 has greatly reshaped the way contact centers operate and serve customers. The emergence of work-from-home mandates, surges in enquiry volume, increased reliance on digital channels and changes in customer behavior have added extra layers of complexity to meeting customer needs.

As mentioned in the 2020 Contact Center report, instead of enduring the frustration and emotional stress of poor customer service, customers are more willing than ever to switch to a competitor. Worse still, some customers may churn without clarifying the reasons

why. Therefore, the burden is firmly on the shoulders of businesses and their contact centers to listen carefully to customer signals, be firmly plugged into the Voice of the Customer (VoC) and keep abreast of current customer sentiment and market trends.

Despite the potential resting in contact centers, as seen in our 2020 Contact Centers report, much needed CX investments for these centers are often jeopardized by complex return on investment calculations which can inaccurately undermine the value of these centers.

This 2021 edition of CX Network's Contact Centers report series presents exclusive insights from an elite research panel of contact center leaders on the opportunities, hurdles and spend priorities ahead, as their departments push to exceed customer expectations in order to expand lifetime values and loyalty.

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About our research panel of contact center experts

> **27** Number of experts on panel

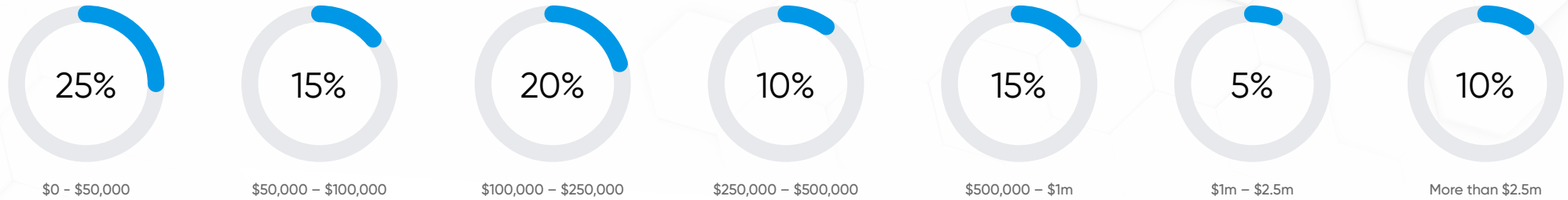
> **67%** of the panel have decision-making power with customer experience investments

Brands some of the experts are from:



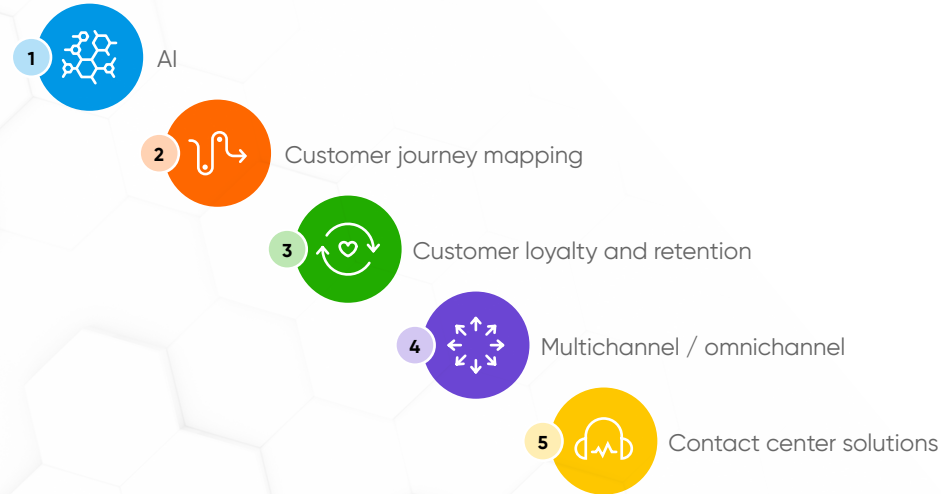
Contact center investment priorities

Your company's annual budget for CX investments (US\$)

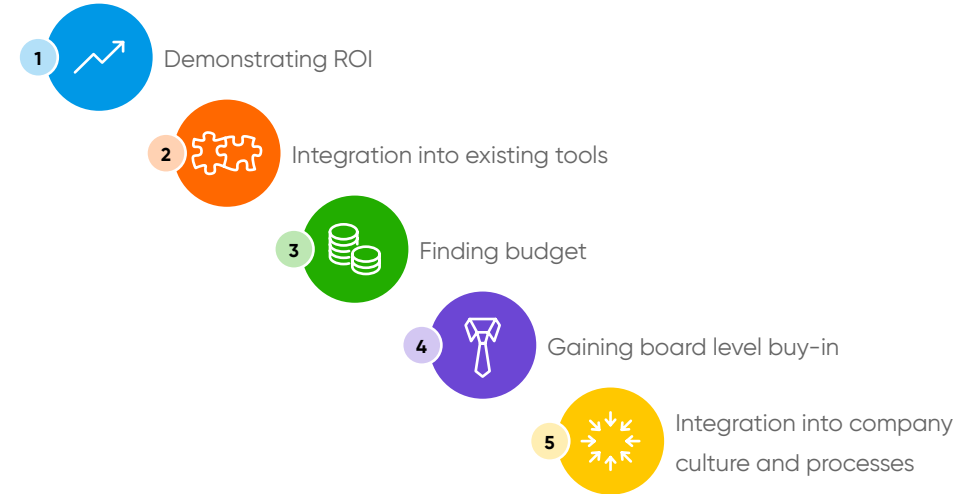


67% of the panel have decision-making power with customer experience investments

Top five CX investments for 2021



Top five CX investments for 2021



56% say the pressure to prove ROI in CX is intensifying

>> Contact center investment priorities

Budget and ROI

Despite the growing focus on the customer, consensus from the expert panel indicates that a number of businesses still scrimp on their customer experience management solutions, with many of our research panel limiting their maximum annual CX budget to a mere US\$50,000. It should be noted that this budget will be divided into several initiatives, including artificial intelligence (AI) platforms, customer journey mapping, customer loyalty and retention, omnichannel strategies and others, with contact center solutions taking only a relatively small part of the pie.

For most organizations, despite proving the value of improved customer experience, obtaining a budget remains a challenge and is largely dependent on whether or not ROI can be guaranteed. As such, many organizations fail to effectively measure the full benefits of customer experience except for the more obvious ones that are directly related to the bottom line. The contact center is always burdened to deliver tangible returns before being taken seriously, despite it being one of the best avenues for listening to customer concerns, especially since the start of the Covid-19 pandemic. The unpredictable events related to the pandemic led to unforeseen changes in customer purchase behaviors, making customers more demanding when it comes to convenience and quality of service, and more scrutinizing when it comes to the brands they put their loyalty in.



Customers, now more than ever, are happy to switch brands or providers if they are unsatisfied with 90 per cent of our research panel acknowledging that customer are more willing than ever to move to a competitor if they are unsatisfied by their current provider.

Buy-in for CX investments

The main reason the contact center has trouble unlocking budget is because it can be difficult to obtain board level buy-in. Of course, ROI is a major consideration, but contact center solutions should also integrate into the existing tools the company

uses, as well as its current culture and processes. If the implementation of a contact center in an organization is perceived as a major change or deviation from established plans or initiatives, some form of resistance is almost always to be expected by decision-makers. Building a customer-first culture can be challenging, especially when management is focused on determining value through ROI.

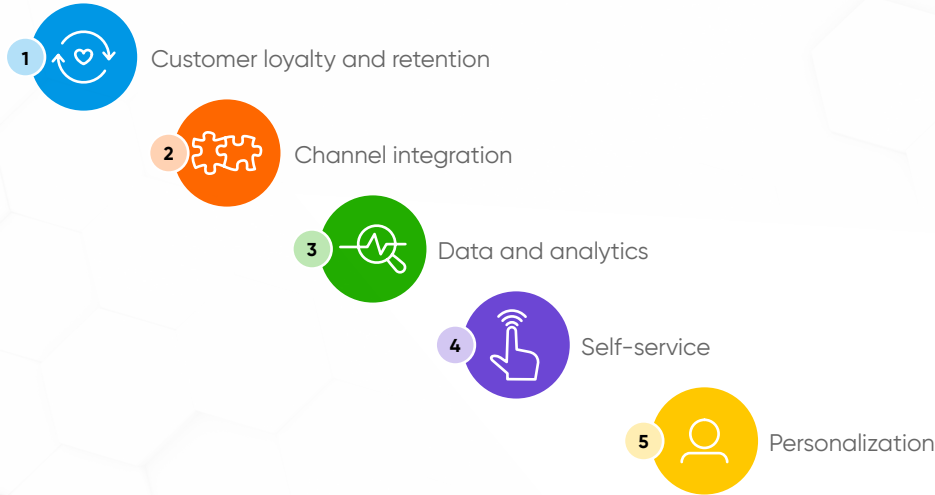
Still, the value of customer experience initiatives should not be ignored; the key is finding ways to show C-level executives how this value is linked to ROI. To ensure that expectations are aligned within the organization, all business initiatives, especially contact center programs, should be top-down initiatives. The creation of customer stories that show how improved customer experiences directly influence customer retention and loyalty is a great way to encourage stakeholders to invest in contact center solutions. Putting the customers at the heart of the business means making them an integral part of the company's values and culture. This will ensure that all members of the organization understand why customer focus is valuable and why it is the best direction to take for business initiatives.



Check out CX Network's recent guide on ROI calculations for CX projects

CX opportunities and trends for contact centers

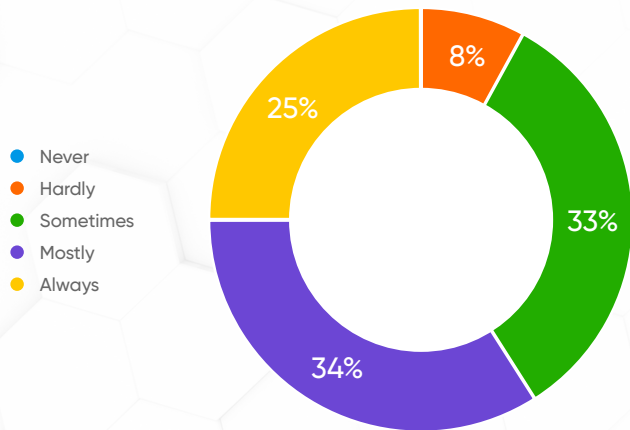
Top CX trends voted by our panel of contact center experts



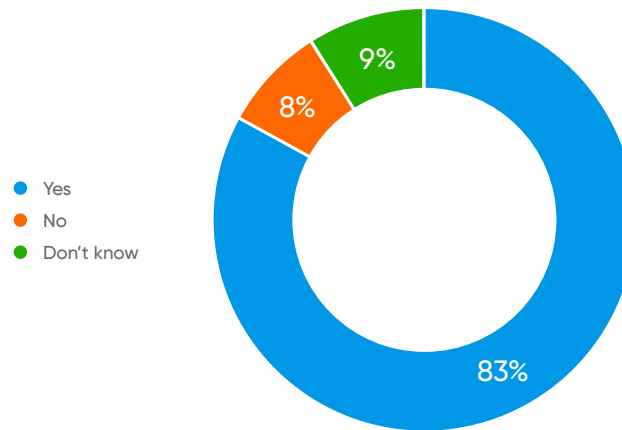
45% of the research panel have witnessed that **customers are happy to spend more on convenience**

54% of the panel agree that **Covid-19 safety is influencing customer purchase decisions**

Voice of the Customer insights reach the relevant business units:



Has your company actioned VoC data?



Examples of VoC actions taken:

- ✓ Reviewing our admin fees
- ✓ More comprehensive all-inclusive packages
- ✓ Optimizing the digital customer experience
- ✓ Closed loop feedback process
- ✓ Changing our process to remove common points of friction

>> CX opportunities and trends for contact centers

Aligning with customer desires

As Covid-19 social distancing mandates have digitalized the majority of buying journeys, contact centers are forced to rely on digital channels to connect with consumers and build long-term relationships to encourage customer loyalty. Of course, this change in customer behavior and preference does not mean that brands should stop offering disruptive solutions and cutting-edge products to customers; to do so, now more than ever, companies need the right tools and processes to understand their customers better.

Leveraging voice of the customer (VoC) data, which can be gathered via several methods including online surveys, social listening and metrics such as Net Promoter Score (NPS), is a vital part of tapping into the mindset of customers. With customers willing to pay more or even take their business elsewhere for convenient customer experiences, VoC data provides companies with crucial self-awareness on gaps that need addressing from the customer's perspective. This approach is used by 83 per cent of our Contact Center research panel who stated that they have actioned VoC findings at their brands.

Self-service

Since the burden of enabling excellent customer service is on the shoulders of the contact center, providing the necessary computing and automation solutions is vital so loyalty winning customer care is possible. Smart self-

service channels empower customers to take control of their own experiences 24/7 and simultaneously reduces cost-to-serve levels. This approach offsets large workloads and liberates human agents to work on more important tasks, such as pre-empting customer issues to prevent unnecessary enquiry surges.



AI and boosting agent productivity

AI emerges as one of the major contact center investment priorities for our research panel. One useful application of AI and machine learning in a contact center is call routing, which ensures that every customer is connected with the appropriate agent so issues are addressed appropriately and quickly. AI systems with sophisticated data analytics can boost agent effectiveness by providing a deeper understanding of customer information, query context and sentiment. In effect, this understanding develops the empathy levels embedded into customer care to accelerate issue resolution. One of the members of the research panel, InnovaCare Health's Chief Experience Officer Nicole Cable notes that gamification for employee

training was a major focus for one of the call centers at the healthcare firm in 2020.

"We challenged the staff to design a theme and executive leadership supported the initiative," Cable explains. "By involving the employees in the process and creating training that was fun and memorable it became a part of the work and not a distraction." As a result, Cable notes that service levels increased, teamwork scores improved and customer comments increased by 80 per cent.

Ensuring that customers always have meaningful experiences for every transaction or brand engagement will help establish strong customer relationships and build a strong following. Taking care of employees and, more specifically, contact center agents is also vital so that they are encouraged to do the same for the customers. Empowering them will have the snowball effect of also empowering customers to express their delight or frustration regarding a brand's product and level of customer service.

Furthermore, AI systems can even help brands predict opportunities and mitigate risks. Predictive analytics can help businesses forecast trends with precision using data, both current and historical, gathered by contact centers. Through machine learning and statistical modeling, predictive analytics can help discover relationships between varying customer behavioral patterns and transform that data into actionable insights that will provide the business a competitive edge.

Give your contact center a reality check by listening for the unexpected

Frank Sherlock, VP of International at CallMiner



7

With channel integration, data, journey mapping and voice of the customer flagged by CX Network's contact center research panel as key points of CX opportunity, Frank Sherlock, International VP at CallMiner, explores how contact centers can give themselves a reality check in these areas to discover what their customers actually want.

Customer journey mapping

To improve CX, retention and loyalty, brands should examine any touchpoints that indicate customer dissatisfaction. The likes of churn language and other customer signals should be assessed to conduct root cause analysis that can inform future process improvements.

The tactic of combining customer journey mapping with conversation analytics will reveal new opportunities to drive value within and beyond the contact center. In particular, a great way to realize meaningful value for customers is to map journey touchpoints against behavioral indicators. These supercharged journey maps will highlight dips in customer satisfaction scores or other metrics when factoring in call quality, speed to issue resolution and even emotional state.

Smoother channel integration

Omnichannel customer journey mapping can reveal touchpoint challenges from an outside-in perspective. Channel integration is a challenge for many organizations and contact centers because contact channels tend to evolve within their own silos, and it becomes very expensive to physically integrate those channels. As a result, most companies do not.

Omnichannel conversation analytics solutions can essentially function as an "umbrella of integration" across channels by correlating insight from all voice and text-based communications. These systems are incredibly valuable when dealing with the increasing number of customers who struggle to self-serve in digital channels. Self-service channels will inevitably fail for some customer inquiries, and when they do, these frustrated customers often call the contact center.

Therefore, agents are faced with handling complex calls from emotionally charged customers. Analytics systems not only make these multi-channel conversations more effective by transitioning the needed context to the agent, they also highlight where interactions can be improved by measuring emotions of the customer and agent.

>> Give your contact center a reality check by listening for the unexpected

Listening for the unexpected

With the right technology, such as AI, contact centers can automatically draw out the meaning within calls and text-based communication across all conversations. This allows organizations to uncover unexpected trends, such as unknown product issues that were never anticipated, so the brand can address those fracture points.

For instance, by using CallMiner, one of our clients was able to identify that their agents were not expressing empathy adequately to customers in the onset of the 2020 pandemic. This awareness that agent scripting was not resonating with customers empowered that organization to more effectively coach agents on how to better communicate with customers.



Case study: Gant Travel

A couple of years ago, a client of ours, corporate travel management company Gant Travel, began exploring automating its quality assurance (QA) process. At the time, the travel company was only able to monitor two per cent of its customer-to-agent interactions, making it difficult to accurately measure performance or effectively coach agents.

In addition, Gant Travel was facing the challenge of inaccurate or incomplete call dispositions, making it difficult to understand outcomes. It also did not have the capacity to listen to the amount of calls needed to accurately understand customer intent or sentiment.






After implementing CallMiner, Gant Travel was able to monitor 100 per cent of its calls. In doing so, the company increased the frequency of agent feedback by 400 per cent and created more informed agent performance training.

These improvements to internal performance allow Gant Travel to consistently deliver the best possible customer experiences. For example, in the early days of Covid-19, Gant Travel was able to decrease average call handle time by 53 per cent. With additional support from CallMiner, Gant Travel freed up more than 100 hours of overall agent time in the first month of the pandemic, which was utilized by helping customers with other issues.






Reflecting on the company's partnership with CallMiner, Kurt Mosher, COO and Executive Vice President at Gant Travel, said: "To become our customer's last best experience, we must make the investment in our tools and people. We see CallMiner as a game changing tool which is already propelling us forward toward our goal."

Challenges

Top five CX contact center challenges

- 1  Building a customer-first culture
- 2  Gaining senior management buy-in
- 3  Creating actionable insights from data
- 4  Competing priorities
- 5  Linking CX initiatives to ROI

Top five obstacles for CX investments

- 1  Demonstrating ROI
- 2  Integration into existing tools
- 3  Finding budget
- 4  Gaining board level buy-in
- 5  Integration into company culture and processes

Integration and building a customer-first culture

If not integrated well into the overall business, contact centers face several challenges that add to the difficulty of proving ROI and obtaining budget for investments. Integrating contact center solutions into the company culture is essential.

Seamless integration can require a culture change that will embed the technology's adoption into the business and an end-to-end customer-first mindset.

The organization as a whole may have to rethink its customer service initiatives and strategy to have the agility needed to adapt to evolving customer behaviors and ever-changing customer needs and demands. This can be challenging because, for most organizations, functional teams are siloed, leading to a fragmented experience for customers.

Despite these teams having a unified goal of serving the customer, this very broad goal does not ensure that expectations will always be aligned and strategies employed are complementary to each other. Individual

teams, and the company as a whole, should have specific and measurable objectives when it comes to customer service.

Depending on their specific function, each team should find a way to answer the question, "How can we ensure that the customer journey is as smooth as possible?"

Data integrity

To unlock the value within big data and today's technological innovations such as AI and machine

>> Challenges

learning, contact centers need to separate valuable data from all the noise in data repositories.

Companies must find ways to store, process, and analyze data so it can be operationalized in a meaningful way.

Data integrity is a significant concern because this information needs to be trustworthy; because after being processed and analyzed, this data will be the company's source of insight that will be the engine of customer experience and contact center initiatives.

As new technologies arise, it also becomes a challenge to integrate these into existing data pools and legacy systems. Migration to a new system can be very expensive and time-consuming, and it may be a major roadblock to proving the ROI of contact center solutions. However, this process does not need to be a rip-and-replace.

The key is finding what currently works for the business and strategically building upon those systems. Provide incremental improvements by adding components and capabilities gradually. This way, the business can preserve the functionality of the current tech stack while exploring the new capabilities of more modern systems.

Employee engagement

Of course, there are also challenges that are specific to the contact center itself, especially in light of the limited

budgets often allotted for them. As demands from both the company and the customer increase, further strain is put on the contact center agents that are often overworked and consequently demotivated.

High attrition rates are common in contact centers, which forces companies to pour resources into frequently replacing agents. This leads to extra costs in recruitment and training, plus the added challenge of ensuring that the new hires are trained to be competent at the soonest possible time.

Keeping agents engaged and motivated is also a challenge due to the repetitive and stressful nature of their jobs and the flat organizational structure of a contact center. This limits the career prospects of contact center agents and demoralizes even the top performers because they are unsure of how they can grow professionally.

Still, the contact center remains vital in business because, even though a number of customers use self-service platforms, most of them still prefer to communicate and interact with a fellow human being.

Head of customer service at Bose Corporation China, Anna Wang noted in her comments as a member panel of this report's research panel: "The desired vision of a contact center is to become the number one brand ambassador creating the advocacy through word

of mouth, and eventually help convert sales from the excellent customer experience delivered.

"All of these require fundamental changes at strategic positioning and organizational design on a contact center. In the end, only valued contact centers can value customers, and only well treated agents can treat customers well."



"The desired vision of a contact center is to become the number one brand ambassador creating the advocacy through word of mouth, and eventually help convert sales from the excellent customer experience delivered."

Anna Wang

Head of customer service at Bose Corporation China

Final remarks: the future of contact centers

The contact center provides vital support to customer journeys. To unlock its full potential, brands need to ensure their centers evolve from being reactive damage-control units into proactive service providers that ensure pleasant customer experiences are commonplace. This will allow the contact center to prove internally to management that it is a profit-generating center – a team that does more than just receiving customer requests and addressing concerns. This reputation will be valuable currency for attracting buy-in and evidencing ROI for future technological upgrades or CX initiatives.

As flagged by our research panel, VoC data will guide contact centers toward the provision of excellent customer service, helping transform strangers or casual customers into loyal patrons and die-hard fans. These initiatives may indeed require fundamental changes in the organizational design and strategic positioning of the contact center within the company.

To bring memorable customer experiences to life, businesses must not ignore the importance of employee experience, equipping contact centers with the tools, training and resources required to serve customers with loyalty winning, meaningful experiences.

“With the right technology, contact centers can automatically draw out deeper meaning across all conversations. This allows organizations to uncover unexpected trends, so they have the opportunity to address those fracture points before they lead to customer churn.”

Frank Sherlock

VP of International at CallMiner



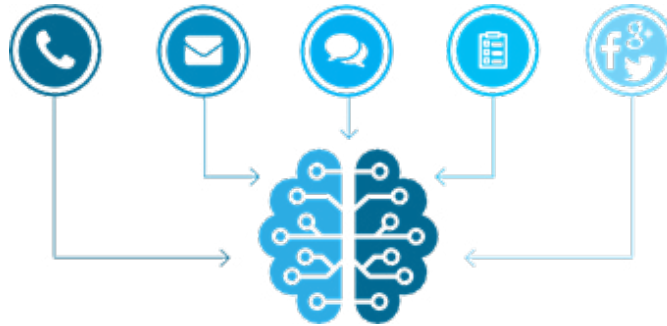


CallMiner leverages AI and machine learning to improve customer experience.

In your fast-paced contact center environment, analyzing every interaction in order to ensure the optimal customer experience is a challenge. But CallMiner conversation analytics makes it easy. Gain an unparalleled view into what customers are saying, leveraging AI to help guide agents in real-time DURING during their conversations, whether it's on the phone, via chat, or other channels, or to coach them post-interaction on the best practices that work at your organization.

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About CX Network

CX Network is an online resource for customer experience professionals providing value-rich content such as industry reports, customer trends, best practice, latest industry news, interviews with CX leaders and so much more! Our focus on the content that matters to customer experience leaders most, allows us to cut through the white noise that surrounds this ever-changing subject, and makes us the primary resource for CX executives to turn to.

By joining our network you will receive expert commentary, reports and resources developed by and for experienced customer experience professionals and industry insiders. With a growing membership and global portfolio of events, CX Network ensures you keep your finger on the pulse by delivering practical and strategic advice to help you achieve your business goals.



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JUN

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