

MARKET STUDY

FUTURE OF THE CONTACT CENTER: A FORECAST

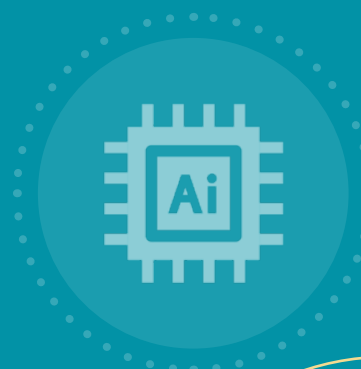


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INTRODUCTION

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



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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 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?





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?



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 cliché *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%).

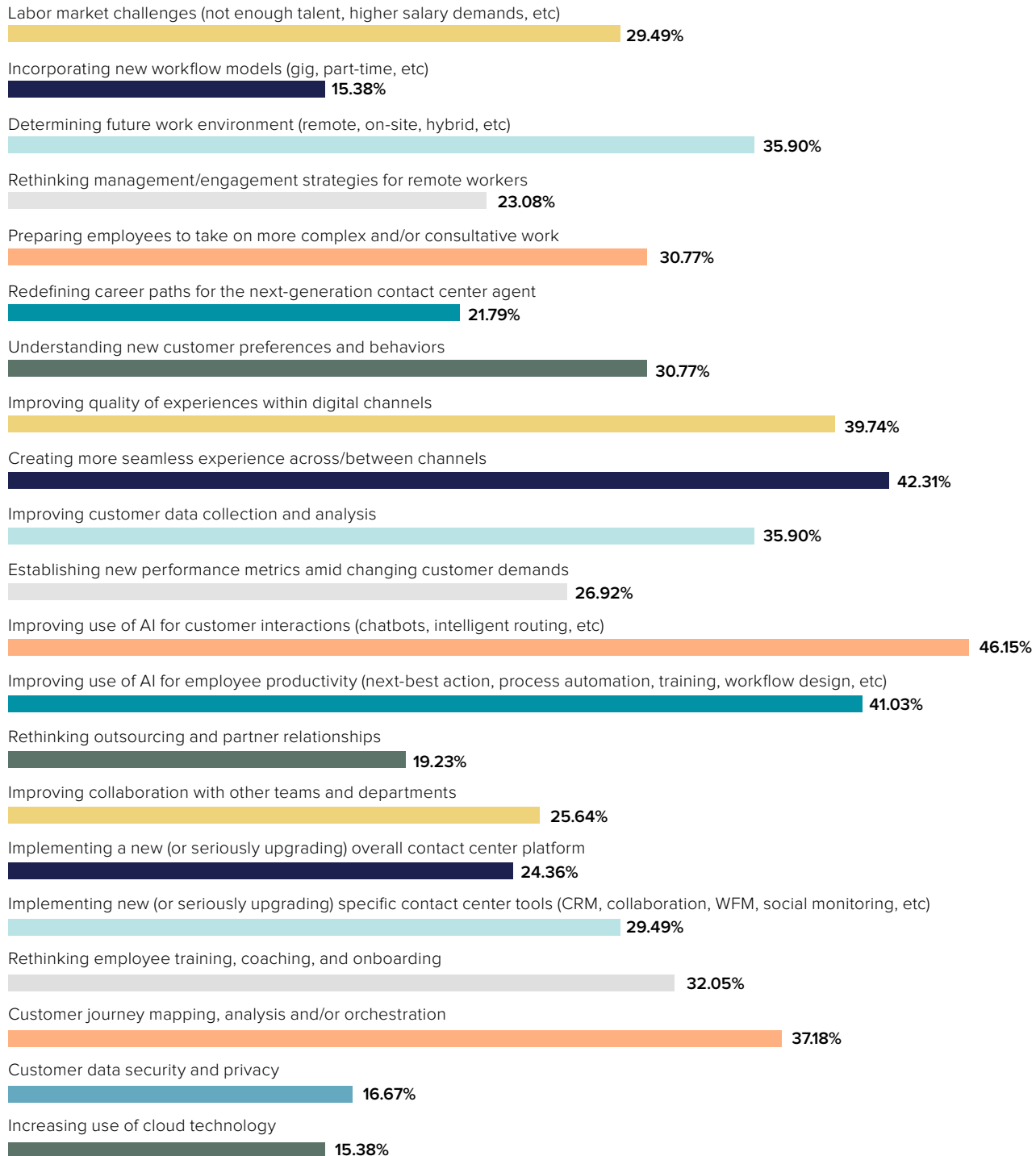
Collectively, the priorities reflect a desire to *modernize* the contact center operation and create experiences that are more efficient, more aligned with customer preferences, and more capable of yielding meaningful connections.

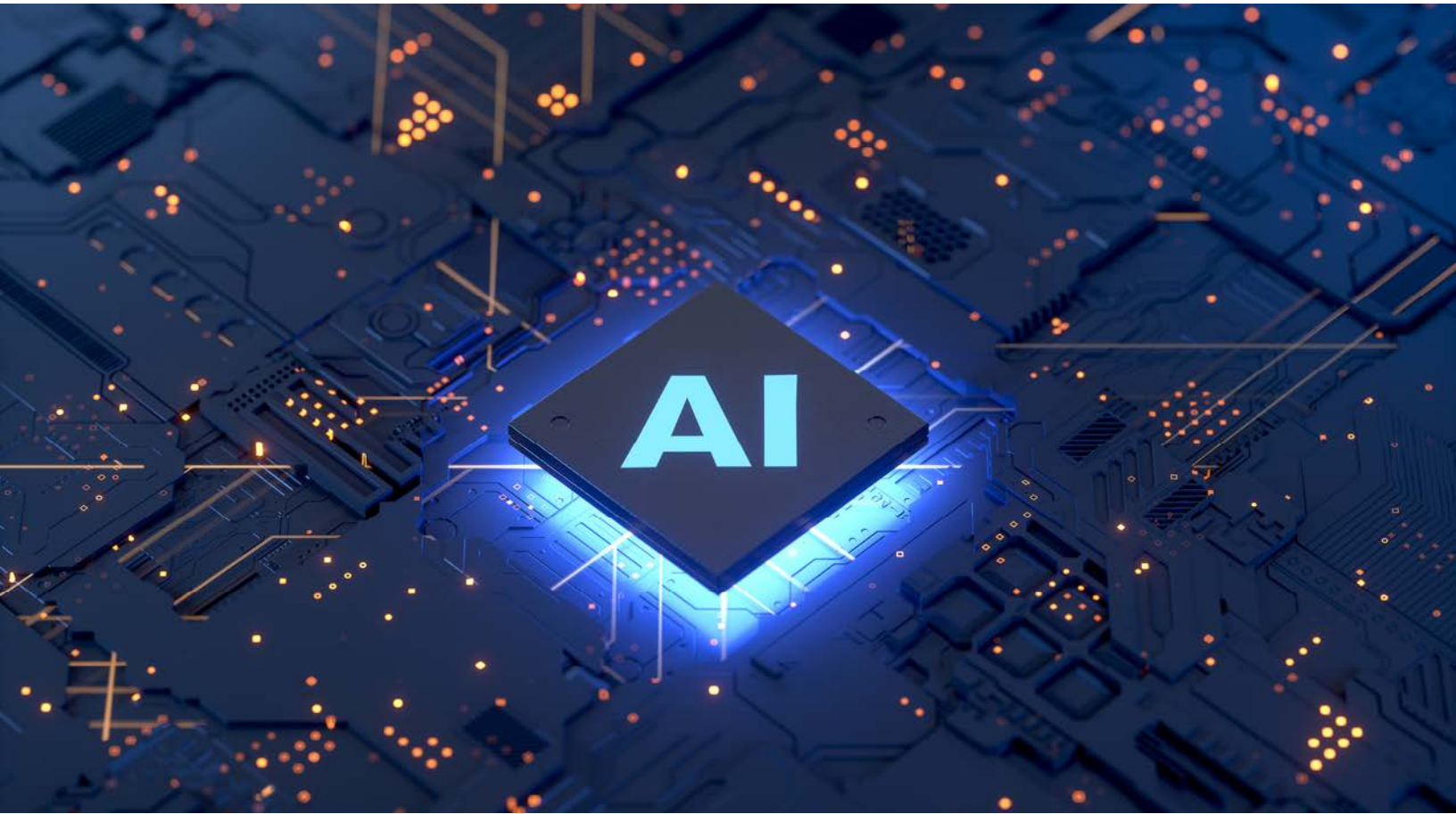
Whether deployed on the frontend or backend, AI reduces the hurdle to *relevant* customer interactions. Better chatbots yield more effective customer service, while intelligent routing ensures those who do need to escalate go directly to the most suitable agent. Because AI is freeing agents from grunt 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?





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.

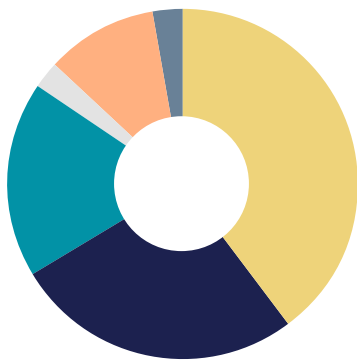
Another 18% share support for a gatekeeper approach, but they believe the customer should have to start in a *digital* channel as opposed to a phone-based IVR. Some companies have already begun to passively implement this policy; their websites prominently tout digital offerings while making phone numbers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



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



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



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



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



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



Adding resources to digital channels, thus improving availability and speed



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



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





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.

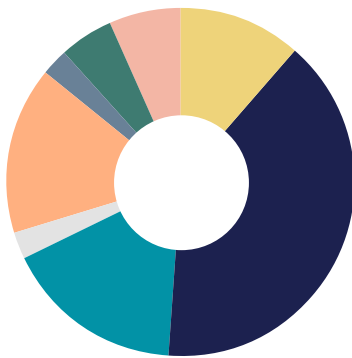
The most popular hybrid option, one in the cards for 40% of companies, will be hybrid by task. Under this model, employees will come into the office for certain tasks (like training and collaboration) and work remotely for others.

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. Replacing 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.





ENHANCE YOUR CUSTOMER EXPERIENCE

CURRENT STATE OF CUSTOMER EXPERIENCE

The move toward consumerism started before the pandemic; however, the safety concerns and restrictions globally have had a profound impact on how consumers deal with almost all aspects of their lives. Retail customers no longer feel the need to shop in brick-and-mortar stores. Everything needed can be purchased online and picked up or delivered. More and more healthcare is being delivered via virtual visits. Information on benefits and eligibility of life insurance, medical and dental insurance, etc. can now be obtained virtually. For a business to remain relevant in today's customer-centric environment, customer expectations should not only be met but exceeded on every encounter. From Forrester's latest consumer survey, we know that 50% of online adults use technology now more than before the pandemic started to engage with companies. However, we also know that technology often feeds into a hybrid customer

experience, across digital and physical touchpoints. After all, consumers can connect to digital content anywhere using the mobile phone in their pocket.

The customer journey has evolved. Across industries, organizations adapt their customer experience paradigms or face losing customers to organizations that embrace the reality that customers expect immediate information at their fingertips. This new way of doing business must explore ways to mimic traditionally in-person and in-store customer experiences online. As more organizations work to keep up in this fast-paced, quickly changing landscape, a surge of hybrid experiences, including video-based "chat" between store/branch-based employees and digital customers has become reality.

As customers are less restricted by channels, organizations must follow suit. Supporting increasingly fluid and hybrid customer experiences will require more flexibility in terms of

managing technology and human resources. Organizations will shift from focusing on customer experience across channels to focusing on effectively serving customer needs across three interaction modes: self-service, automated, and person to person.

CHANGING ENVIRONMENT AND NEED FOR IMPROVEMENT

In a world of seemingly limitless options, organizations rely on customer experience as the primary way to define and differentiate their brands, as well as build and maintain customer loyalty. In fact, according to a recent report from NTT, more than 80% of organizations say customer experience offers a competitive edge and more than half consider it their primary differentiator. But instead of deciding between customer satisfaction or costs, a recent IBM Institute for Business Value study showed a way organizations can achieve both. Based on the study, 99% of organizations using AI-based virtual agent technology report that it helps increase customer satisfaction, and 96% achieved a high return on their virtual agent investment. Studies have shown that virtual agents increase agent satisfaction by an average of 7%.

More consumers prefer virtual chats over traditional phone interaction. While chatbots have historically provided a simple way to surface the most common answers, their lack of understanding beyond FAQs has often left customers feeling frustrated rather than satisfied. Their irritation rises when forced to provide the same information repeatedly. Likewise, organizations are creating chatbots for specific, but overly simplistic purposes, meaning that once those immediate use cases are satisfied, the chatbot has little to no use afterwards. Covid-19 is an example of this phenomenon. Many companies added a chatbot to their electronic media presence for the sole purpose of telling customers whether masks are required for entry, if there are occupancy restrictions, etc. This narrow-minded version of a chatbot implementation solved an immediate need, but typically did not include plans for a future use of the technology.

Instead of investing in short-lived point solutions, organizations need to adopt a platform approach—utilizing the same framework to design, deploy and manage conversational AI that can serve customers consistently well no matter where they interact. In addition, organizations need AI that can accurately identify what a customer is trying to accomplish, especially when the intent is unclear,

the language syntax of the question may not match the chatbot's training, or the customer is speaking in a different language than the default for the bot.

Customer frustration also comes from information being distributed across multiple systems and departments. Often, when this is the case with a chatbot, the customer must be handed off to a human agent so they can correlate the information into a customer answer. Virtual AI-enabled assistants can integrate into multiple systems across multiple departments to obtain the needed data to respond to the customer inquiry. If the answer to the question still isn't easily obtained, the use of an agent-assist VI assistant can provide the perfect solution. Customers can get their less complicated questions answered without the need of a human intervention, while complex questions can be answered more quickly and consistently by the agent. Failure to find the right answers fuels agent turnover and leaves customers with a bad experience. The average annual turnover rate for agents in US customer centers ranges between 30% and 45%, resulting in approximately \$15,000 in turnover costs per agent departure.

THE SOLUTION

There are plenty of tools, products, and best practices around how to build the ideal customer experience, but at a basic level it's about helping customers reach their goals in the fewest number of steps. The best solution needs to encompass the values of:

- Automating both simple and more complex customer inquiries across any channel
- Understanding complex language as well as conversational digressions
- Natural Language Processing (NLP) to continuously learn from and improve customer conversations
- Integrating conversational AI into existing applications, content, and data
- Ensuring security and data ownership while maintaining ongoing flexibility
- Selecting an AI-powered virtual assistant versus a simple chatbot
- Ensuring the assistant is agnostic to as many environment and software apps as possible to avoid unnecessary rewrites/re-implementations

DFS has created Coeus, an AI Assistant, as a text and voice assistant built on top of IBM's Watson Assistant and Red Hat's OpenShift. Coeus is easily integrated into complex business environments across industries, environments, and cloud platforms. This solution integrates your data – product catalogs, transportation routes, FAQs, benefit information – with artificial intelligence to help you deliver an informed conversation for your customer base. Coeus has been designed to understand and incorporate complex information into a conversational model, enabling more natural and accurate responses. By using a container methodology and a cloud agnostic design, Coeus can easily adapt to changes in your IT environment.

Coeus is built on a secure framework with proven industry-leading AI capabilities. Coeus supports multi-lingual speech and text and integrates across many tools. It can be implemented as a customer-facing agent and/or as an agent assistance tool. Coeus can understand real-world questions in natural language, both spoken or typed, and returns an answer in clear, concise terms in the language in which the question was asked. Those questions that require a greater level of nuance and insight can still be escalated to experienced agents. It provides fast and consistent information back to the call center agent, decreasing call times and costs. Those agents will utilize the tool to obtain the information needed to answer the questions fast, efficiently, consistently, and accurately.

KEY BENEFITS



Quickly deploy and scale a cost-effective solution



Based on IBM's AI and Red Hat's OpenShift technologies



Provide fast and effective customer experience with consistent answers



Call center staff can focus on more in-depth and difficult customer issues



Provide solutions to your customers' needs



Better informed consumers thanks to 24/7 convenient and self-directed access to information



Gain recommendations on education and training for your staff



Lower call center costs and improved customer experiences



Reduce the number of calls handled by the agent



Fewer callbacks are required to solve customers' questions



Reduce the amount of time spent on a call

ARE YOU READY TO IMPROVE CUSTOMER EXPERIENCE WITH AI?

Your customers deserve your best efforts to satisfy their needs. After all, your business will not succeed without their support. Coeus supplies the tools to make your customers life-long advocates of your products or services. At DFS, we are ready to assist you in planning your roadmap to an artificially intelligent virtual assistant to meet your current needs and grow with you into the future. Please visit our website at datafusionspecialists.com or contact us at 888-933-7832.

Powered By:



APPENDIX



Enhance Your Customer Experience



Enhance Your Call Center Efficiency With Coeus™

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JANUARY

State Of Contact Center Technology



FEBRUARY

Strategic Planning For CX Operations

February 9-11, 2021

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New Benchmarks For Customer Contact Performance



APRIL

State Of Contact Center Technology

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Customer Contact Industry Review



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New Standards For Customer Contact Performance

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Customer Experience Trends, Challenges & Innovations



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Future Of The Contact Center: A Forecast

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