



CUSTOMER
CONTACT WEEK
DIGITAL



JUNE 2020 MARKET STUDY

Modernizing Services Experiences with AI & Digital

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CCW DIGITAL MARKET STUDY: MODERNIZING SERVICES EXPERIENCES WITH AI & DIGITAL

COVID-19 served as a major wake-up call for the customer contact community. It uncovered inadequacies in business continuity planning, inefficiencies in operating processes, and insufficiencies in technology.

It ultimately threw down the gauntlet for customer contact leaders, urging them to modernize their operations and increase agility and scalability. It was a reminder that the customer experience of yesterday is already obsolete - and sure to become even less relevant and resonant amid future transformation.

The pandemic did not, however, simply impose a blind burden on the customer contact community. It also gave companies a head start by introducing initiatives that will have a place in future customer experience strategy.

From remote work, to digital engagement, to cloud infrastructures, to automation, COVID-19 demonstrated the viability of some buzzy customer contact topics. In effect, it gave the customer contact community a roadmap to modernization.

The key, of course, will be transforming these concepts from “crisis response” strategies into permanent fixtures of the service experience. Contact centers made do with “work from home” amid mandatory quarantining, but what will happen once a return to the office becomes possible? Companies leveraged digital engagement to mitigate surging volume, but what will happen once interaction quantity subsides (yet customer expectations rise)? Automation proved helpful in supporting chatbots and IVRs, but can it play a more meaningful role in the contact center of the future?

Citing proprietary research, this Market Study answers those questions — and many more. It represents your guide to modernizing service experiences - and best leveraging digital engagement and AI technology - as you heighten your standards, re-establish corporate objectives, and prepare for inevitable (yet unpredictable) change.

METHODOLOGY & DEMOGRAPHICS

To collect data for this investigation, CCW Digital conducted a survey in May and June of 2020. The survey attracted global respondents responsible for overall leadership, contact center, customer experience, marketing, operations, sales, human resources, information technology, and product development in their respective organizations.

Respondent job titles included CEO, director of professional development, customer experience manager, director of contact centers, general manager of customer service, CTO, executive director of technical support, vice president of customer support, vice president of sales and solutions, head of digital care, vice president of care, head of operations, COO, CFO, associate director of customer service, and service center manager.

Respondents come from myriad organizations across all industries, ranging from global, Fortune 500 brands to niche, regional enterprises.

ABOUT THE AUTHOR



Brian Cantor
Principal Analyst, CCW Digital
Customer Management Practice

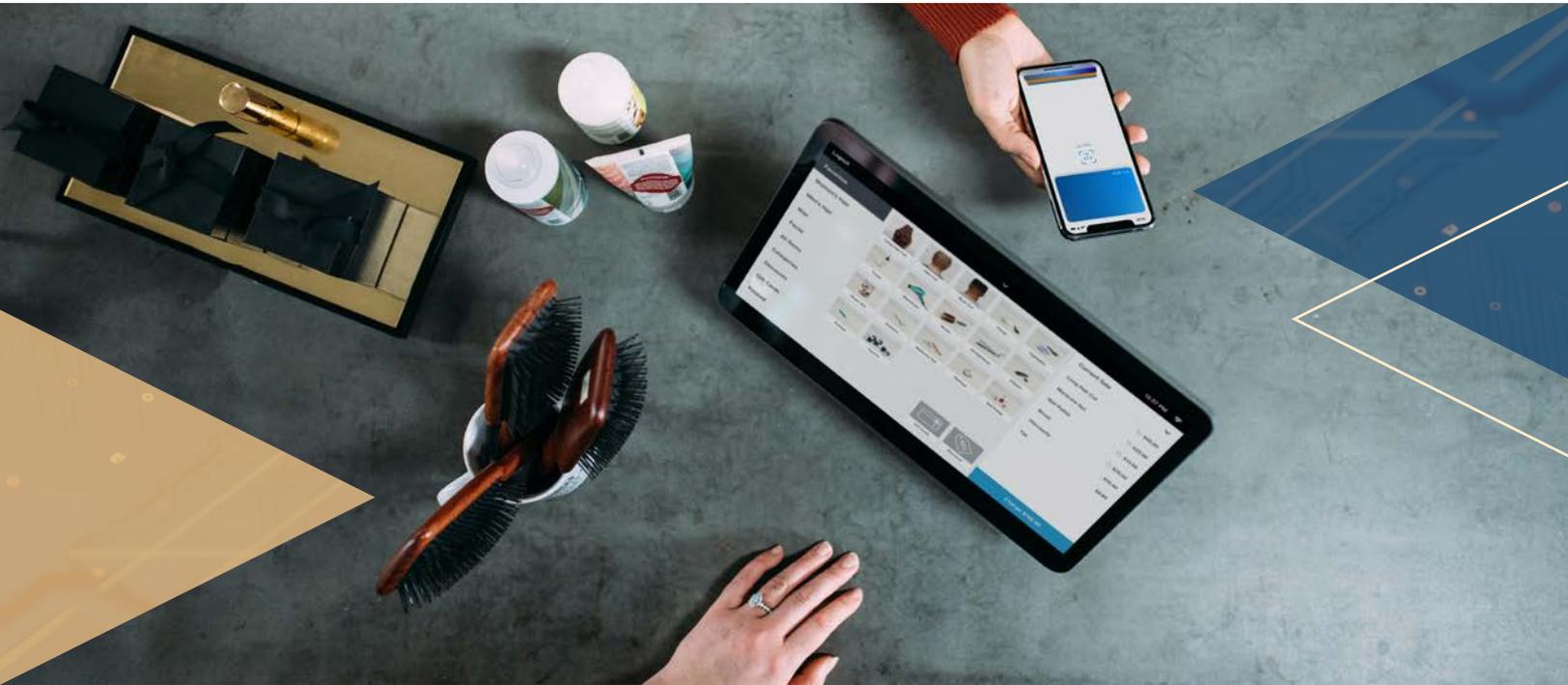


Brian Cantor is the principal analyst and director for CCW Digital, the global online community and research hub for customer contact professionals. In his role, Brian leads all customer experience, contact center, technology and employee engagement research initiatives for CCW Digital's series of reports. 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 Even as COVID-19 subsides, work-from-home will remain a fixture of the customer contact space. Nearly 75% of companies say remote work will be a permanent option for at least some employees.
- 2 Other long-term “modernization” initiatives include increasing investment into automation, focusing on business continuity planning, and retraining agents for new roles.
- 3 Companies turned to digital engagement in the face of COVID-19, and most plan to maintain (or increase) that emphasis moving forward. Only 8% will revert back to their usual channel mix once the pandemic subsides.
- 4 For all the talk about self-service, it remains a fringe option for most companies and customers. A staggering 65% of companies say very few (if any) of their interactions are resolved without agent assistance.
- 5 Granted, the majority of companies think they can already do better. And by 2025, 54% of companies believe at least 40% of customer issues will be handled entirely in self-service environments.
- 6 The present-day numbers regarding digital engagement - whether via self-service or agent assistance - are similarly sobering. The forward-looking numbers are similarly optimistic.
- 7 Indeed, a whopping 73% of companies say their digital interactions frequently, if not always, escalate to a traditional phone agent.
- 8 Encouragingly, eighty-seven (87%) of companies recognize the need (and opportunity) to improve customer comfort and familiarity in digital channels. Popular “education” initiatives include making digital channels easier to use, “popping up” self-service options at key moments of truth, using more intuitive menus, embedding bots into agent-led conversations, and having agents advise customers on available digital options.
- 9 Self-service bots may be on the radar, but they are not the *only* focus for companies who are investing in AI solutions. Top AI objectives include understanding customer intent, better gathering and analyzing customer data, and automating repetitive processes.



A MODERN APPROACH TO THE CUSTOMER EXPERIENCE

No company can perfectly predict the future. No company can flawlessly plan for every specific twist-of-fate that will impact customer engagement moving forward.

Customer-centric brands can, however, ensure they are ready to adapt. They can continue empowering agents and delighting customers in the face of any change -- be it a long-term marketplace shift or a sudden, wholly unpredictable event.

Of all the lessons resulting from the COVID-19 pandemic, this notion of agility is the most significant. Companies universally recognize that a flexible, “modern” approach to the customer experience would have mitigated the impact of the recent crisis - and *will* reduce the challenge of responding to future transformations.

A whopping 95% of companies, moreover, acknowledge that they were not at this level of modernity when COVID-19 struck in early 2020. As a result, they are rethinking and restructuring their operations. They are modernizing their service experiences.

The most popular change will be making work-from-home a fixture of their customer contact functions. More than 73% of companies say remote work will be a permanent option for at least some employees moving forward. Given that a non-trivial percentage of companies simply

cannot accommodate work-from-home, this response is as universal as could be reasonably expected.

Other popular “modernization” approaches include increasing the use of automation and AI (54%), emphasizing business continuity planning (51%), retraining agents for new roles (37%), proactive engagement (34%), and upgrading or investing in cloud solutions (34%).

AI and cloud technology rank near the top of the priority hierarchy, but given their ubiquity as conversation topics, the percentages may seem underwhelming. It is important, however, to consider the nature of this research inquiry.

These responses reflect efforts to *modernize customer contact* in specific response to the lessons of the COVID-19 pandemic. Companies that affirm their plans to emphasize AI and cloud technology are not, therefore, simply saying that they see these technologies as valuable. They are confirming the specific impact these technologies can have in helping contact centers *better adapt* to the new normal created by the recent pandemic, as well as those to be created by future events and shifts.

Companies value AI for this purpose because they believe chatbots can help mitigate sudden increases in call volume, workforce tools can help agents meet performance standards in times of change and uncertainty,

and analytics solutions can gather vital intelligence about the changing marketplace. They value cloud solutions in this context as a way to stay connected in the face of radical change to work environments and capacities.

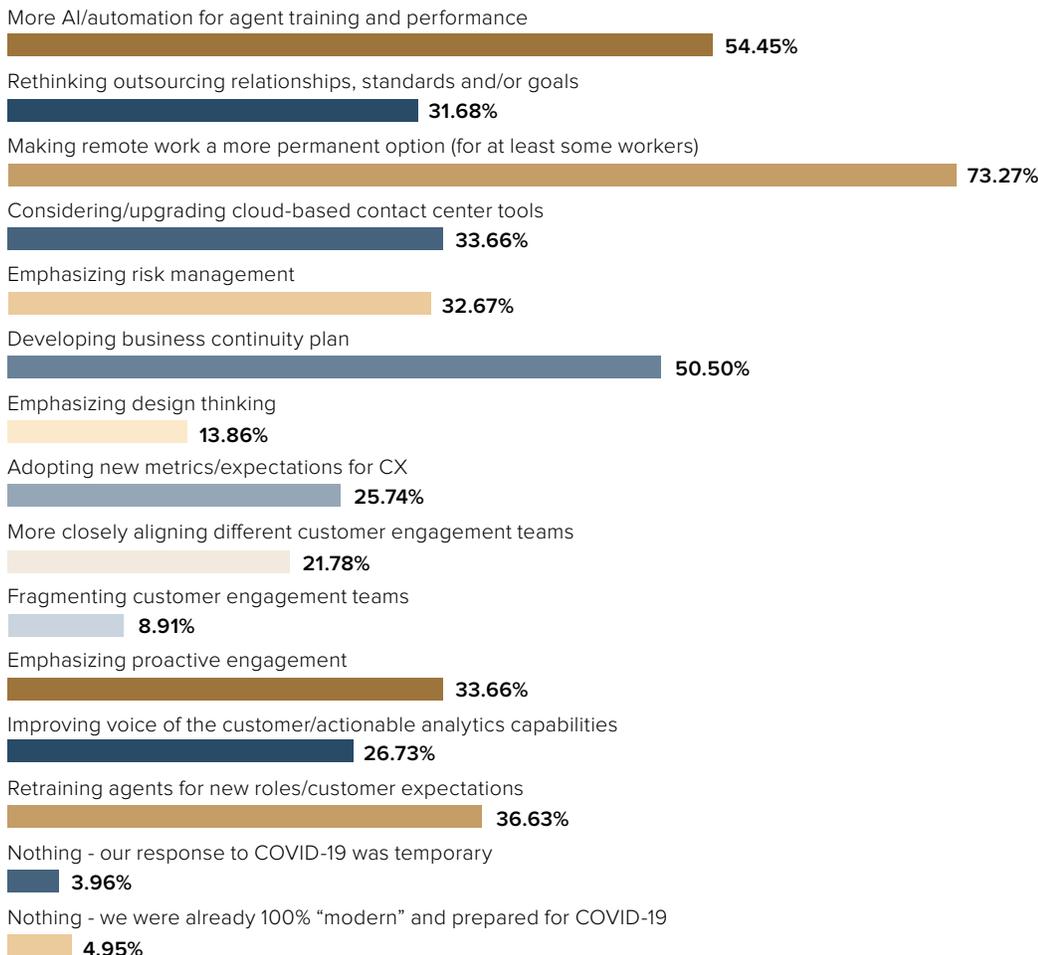
This impact on *modernization* expands upon the already-established efficiency and quality benefits inherent to leading AI and cloud solutions. It makes these solutions even more important to the future of the customer experience.

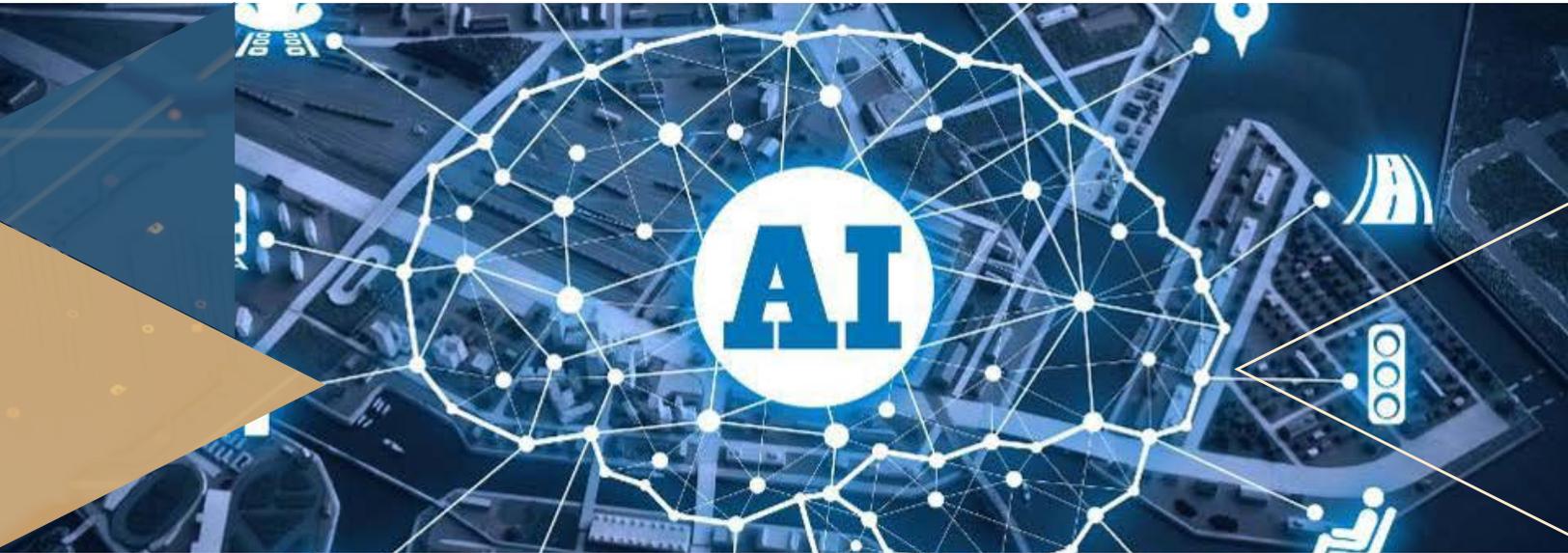
“Business continuity planning” has become the customer contact community’s favorite new buzz word, so its popularity as a modernization technique is unsurprising. COVID-19 helped break leaders from their false senses of comfort. It reminded them that sudden change can occur. When it does, the best companies will have the tools, processes, personnel, and strategies needed to prevent such change from manifesting in customer frustration, employee disengagement, and financial loss.

During the pandemic, companies witnessed a landscape in which employees suddenly had to deal with new responsibilities, new customer expectations, and new workspaces. Companies also began adopting digital and automated engagement at an unprecedented rate, further transforming the role of the customer contact agent. Aware of this propensity for predictable and unexpected change, many companies are logically retraining their agents.

With COVID-19 prompting companies and customers to reconsider which inbound interactions are necessary, proactive engagement is naturally gaining popularity as a modernization strategy. Companies with a robust proactive engagement strategy in place can better handle sudden surges in volume, while also achieving general reductions in customer effort, agent frustration, and operational cost. This creates an ability to maintain consistent quality of service in the face of even the most unexpected change.

In the wake of COVID-19, which (if any) of the following steps is your organization taking to modernize the customer contact operation?





AI AND DIGITAL TAKE CENTER STAGE

Released at the height of the COVID-19 pandemic, *CCW Digital's Market Study on New Standards for Customer Contact Performance* confirmed digital engagement, including self-service, as the #3 response. Only work-from-home and remote collaboration ranked higher.

Research specifically conducted for this report, meanwhile, identifies AI and automation as the #2 focus when it comes to modernizing the customer contact operation.

This timely attention, of course, only expands upon the customer contact community's enduring emphasis on digital engagement and self-service. An immense 98% of companies value digital engagement, and many specifically put self-service, digital capabilities, and artificial intelligence on their short- and long-term priority lists. The customer contact community resoundingly believes digital can yield service experiences that are more customer-centric and more efficient. And as it prepares for the second-half of 2020 and beyond, the community plans to take meaningful action.

As they look to turn their COVID-19 lessons and responses into long-term shifts, 78% of companies plan to more meaningfully emphasize AI and digital engagement.

Forty-three percent (43%) of companies ramped up their digital engagement offerings as a crisis response measure - and plan to keep or increase this level of focus moving forward. Twenty-six percent (26%) did not notably change their digital offerings in the short-term but *plan* to as a result of what they have experienced and learned. An additional 10% were *already* focusing on digital and AI and will continue the emphasis in the months and years ahead.

Granted, not everyone is riding the long-term digital bandwagon in the wake of COVID-19. Eight percent (8%) say they ramped up digital and AI to address short-term needs but will revert back to their usual channel mix once the pandemic subsides. Twelve percent (12%) entered - and will exit - the COVID-19 era without digital and AI engagement on their radar. Two percent (2%), meanwhile, report that they are even less committed to digital and more committed to traditional phone support as a result of recent events.

How did COVID-19 change your approach to digital and AI-driven engagement (SMS, live chat, social, chatbots, intelligent IVR, etc)?



- 7.92%** We ramped up digital/AI in the short-term, but will revert back to normal once things subside
- 42.57%** We ramped up digital/AI in the short-term and will continue (or even increase) that focus moving forward
- 25.74%** We kept the status quo for now but will focus more heavily on digital and AI moving forward
- 9.90%** We were already primarily or entirely using digital and AI - and will continue
- 11.88%** We weren't heavily focusing on digital and AI - and COVID-19 didn't change that
- 1.98%** We're even less committed to AI and digital / more focused on traditional phone support



THE MISSED SELF-SERVICE OPPORTUNITY

In theory, self-service represented the solution to some of the most notorious customer contact challenges. It was a way for customers to avoid wait times and unhelpful agents while gaining the autonomy to solve problems at their own convenience. And even if they did ultimately require an agent, the self-service process would at least reduce the hassle of confirming their identity, stating their reason for calling, and finding the right agent for their issue.

These efficiencies would also lead to cost savings for businesses.

In practice, self-service *added* more stress and complexity to the customer experience process. Introduced via IVRs and static FAQ web pages, traditional self-service offerings were notoriously tough to even navigate, let alone leverage to resolve problems. They simply became an extra step on the customer experience journey, increasing customer effort and frustration in the process. Self-service became a dirty word in the customer contact space.

Advances in technology, particularly in AI, helped put self-service back on the map. Whether in the form of chatbots or more “intelligent” IVRs, these tools boasted natural language processing, conversational capabilities, and cognitive engines. Collectively, these advantages promised to make self-service interactions more capable of understanding and adapting to specific customers and issues. They promised to make self-service a more productive part of the customer journey.

Granted, few companies have seized the opportunity. Self-service experiences remain underwhelming -- a tolerable option for a few issues rather than a valuable *choice* for most customers. As a result, they are neither boosting customer satisfaction nor contact center efficiency.

Sixty-five percent (65%) of companies acknowledge that very few of their customer interactions (0-20%) are being resolved in self-service environments.

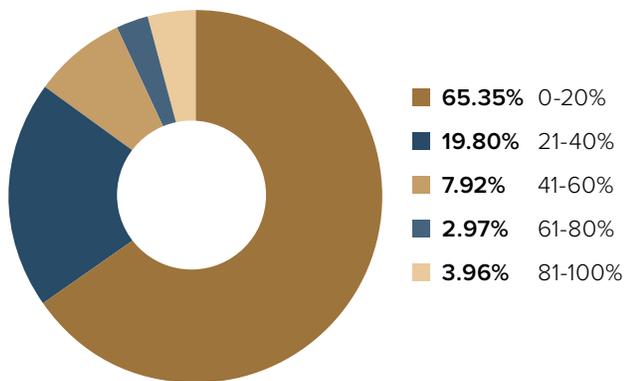
Although technology limitations and issue complexity are surely at play, the number should still be much higher. Fifty-seven percent of companies (57%), in fact, say they could - and should - be able to resolve at least 20% of their interactions entirely with self-service. A substantial 24% believe more than 40% of interactions can be handled without any agent intervention.

Clearly, companies are not yet seizing the opportunity of next-generation self-service. They are, however, committed to changing that reality moving forward. By 2025, 54% of companies believe at least 40% of their interactions will be handled entirely through self-service.

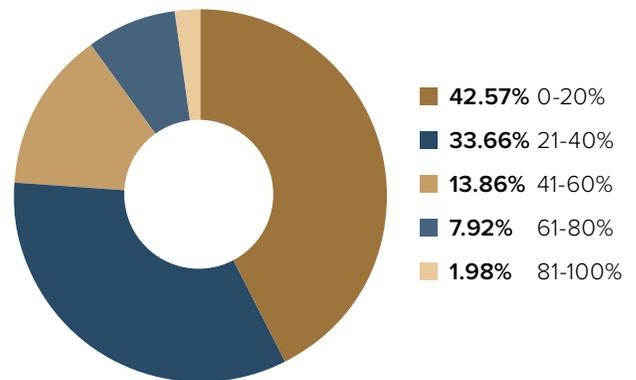
Cutting the number of agent-led interactions in half will already be a significant win for these organizations. There is also another benefit to consider: *self-service conditioning*.

In the status quo, only 9% of customers trust chatbots to solve their problems. If they are given sufficient reason to trust self-service options, customers will be more inclined to start their conversations on these platforms. Companies will, in turn, gain access to the intelligence gathering and routing advantages inherent to robust self-service tools. Their agents will, in turn, be more prepared to help the customers who do escalate - further increasing the efficiency and quality of the experience.

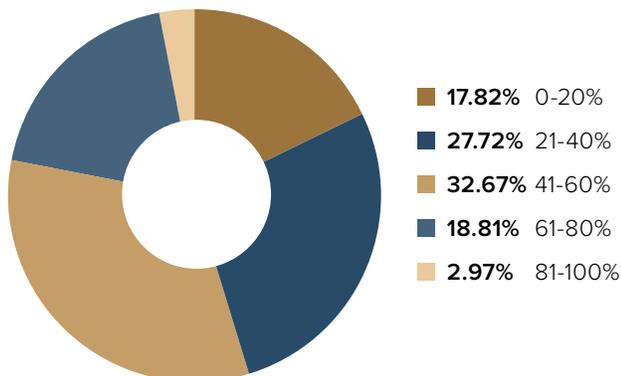
What percentage of your interactions ARE being resolved without agent involvement?



What percentage of your customer interactions could (and should) be resolved without agent involvement, such as via chatbots or intelligent IVRs?



By 2025, what percentage of interactions do you expect to be resolved entirely through self-service / without agent involvement?





THE MISSED DIGITAL OPPORTUNITY

As digital channels become communication standards for most consumers, it stands to reason that they should take on a bigger role in the service experience. It stands to reason that customers who use chat or messaging applications to connect with their friends should be able to use the same channels to reach brands.

Indeed, digital interactions - whether in the form of self-service or agent-led conversations, should be taking on a bigger role within the customer experience. The idea of customers addressing entire issues within the digital world should increasingly be the norm rather than the exception.

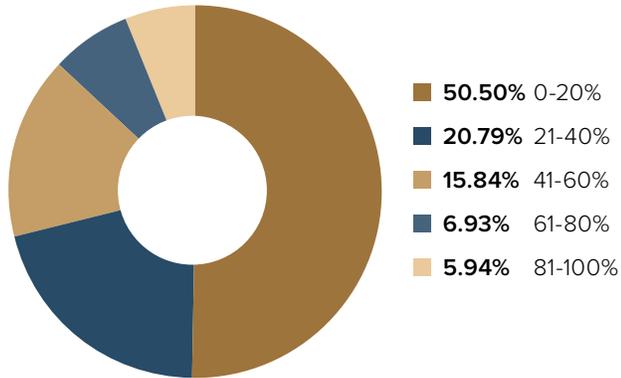
However reasonable this notion may be, it does not speak to the reality of today's customer contact landscape.

Fifty-one percent (51%) of companies admit that they are only containing a small portion (0-20%) of their interactions in digital channels. The statistic confirms a sobering reality: digital is at best a first step - not the final destination - in the customer experience journey.

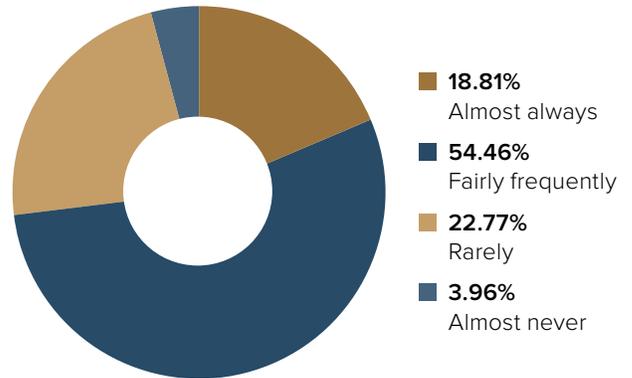
Underscoring this notion, 73% of companies say their digital interactions frequently, if not always, end up escalating to the traditional phone channel.

As they are with self-service, companies are nonetheless passionate about making digital a bigger factor in their experience journeys. By 2025, a whopping 62% expect to see a substantial portion of their interactions - at least 40% - handled exclusively in digital environments. A non-trivial 6% believe nearly all (80-100%) of their interactions will take place entirely within the digital realm.

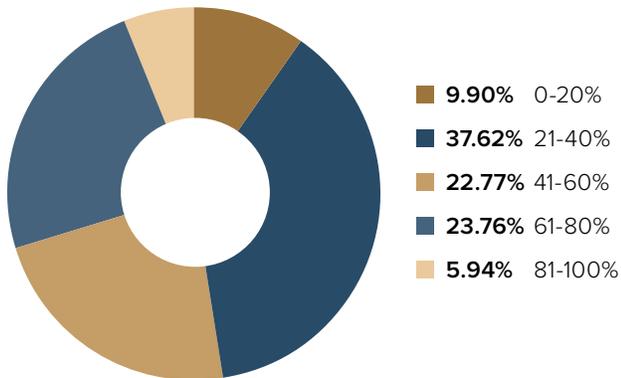
What percentage of your interactions are being resolved ENTIRELY within digital channels (whether via self-service or agent assistance)?



How often do customer interactions start in digital but end up escalating to voice?



By 2025, what percentage of interactions do you expect to be resolved ENTIRELY within digital channels (whether via self-service or agent assistance)?





BRINGING DIGITAL ENGAGEMENT TO LIFE

Digital engagement embodies the notion of a modern, scalable customer contact function. Through their convenient interfaces, seamless integration of AI, connections to personal records, support for automation and proactive communication, and accommodation of asynchronous communication, digital channels are a way to maximize personalization while minimizing effort and inefficiency.

Easier to scale than traditional phone support, digital channels are more conducive to growth. Easier for agents to manage in suboptimal environments at suboptimal times, they are more conducive to remote work. They are quite simply made for a post-COVID world.

Granted, existing utilization levels confirm a significant gap between what digital channels can do and what they are doing. And though antiquated technology, poor journey design, and overall resource limitations are *contributing* to the uninspiring status quo, they are not the only challenges.

One of the biggest inhibitors concerns customer education and conditioning. Customers use digital media habitually, if not obsessively, in their everyday lives, but they rarely trust these channels for service experiences. Interestingly, the discomfort many modern consumers feel when *calling* their friends is what they feel when *texting* brands.

An important step in realizing the digital transformation, therefore, is conditioning customers to feel more comfortable in the digital world.

Companies recognize this education gap. Only 9% believe customers are sufficiently using their digital channels, and a mere 4% have no interest in growing digital engagement. The other 87% are working to make digital channels more familiar and appealing.

Given the widespread emphasis on reducing customer effort, it should come as no surprise that introducing easier-to-use digital interfaces is the #1 strategy for achieving customer buy-in. **A healthy 63% aim to simplify their digital experiences.**

Other popular options include **“popping up” self-service options at key moments of truth** (51%), **introducing clearer menus and options** (44%), **seamlessly integrating bots into conversations** (43%), and **having agents advise customers on how to use digital options** (40%).

The measures share some key themes. For starters, they emphasize the convenience and intuitiveness of digital engagement. By introducing self-service opportunities during the journey, companies show customers how digital frees them from having to *actively* find a phone number and make

a call. Intuitive menu options, meanwhile, free customers from the burden of having to explain their situation to an unprepared agent, let alone an antiquated IVR.

They also recognize the value of direct exposure. Companies know that customers are not aware of all digital capabilities, let alone their superiority to traditional voice options. By weaving bots into agent-led conversations or by having agents outright tell customers that they *could have saved time* by using digital tools, they help customers truly understand the value of these options. They reframe digital channels as *solutions* rather than *impositions*.

It is also important to note that even though digital channels are very conducive to agent-led conversations, emphasizing the power of self-service may be the better education strategy. One of the main reasons customers still *call* support is the idea of accountability; they feel that physically speaking to a real person gives them an opportunity to communicate urgency and demand results. If a company can prove that self-service tools can be just as resolute, it will free customers from this “accountability comes from conversations” mentality.

And if customers can begin to trust self-service platforms for serious resolutions, they will surely have less trouble trusting messaging, chat, and social *agents* with their urgent and important issues. All digital engagement, whether led by the customer or the agent, will consequently become more significant.

Which of the following are you employing / will you employ to make customers more comfortable with digital channels?

Nothing - they're already frequently using them



Irrelevant - we don't want to engage customers in digital



Education about the value of digital options



Promising faster response times in digital



Clearer menus and options



Easier-to-use digital interfaces



Self-service or digital engagement tool “pops up” (or is otherwise exceedingly easy to find) during interaction



Requiring them to start in digital or self-service channels before escalating to phone agent



Completely eliminating phone option for some or all customers and issues



Agents instructing customers on how to use digital/self-service options



Seamlessly integrating bots into conversations (such as messaging or live chat)





ARTIFICIAL INTELLIGENCE, EMPHASIS ON THE INTELLIGENCE

As they work to modernize their operations and improve their customer experiences, companies clearly want to increase the frequency and significance of digital and automated interactions. They want customers to turn to WhatsApp chats, Twitter conversations, chatbots, and IVR platforms as their default choices for making contact.

Interest in AI is not, however, strictly about empowering customers to solve more problems on their own. Resolution, in fact, is not even the top objective for AI investments.

Instead, **companies identify collecting more insight and better understanding customer intent as their biggest priority when investing in AI.** Companies rate its importance 4.19 on a scale of 0-5, with 64% calling it “extremely important.”

Improving analytics, the #2 priority, also speaks to the intelligence-gathering power of AI. It boasts an importance score of 4.17 and ranks as an extremely important priority for 62% of companies.

Automating repetitive processes (3.97), routing customers to the right agent (3.94), and improving training and coaching (3.87) also outrank resolving more issues via self-service, which earns a 3.84 importance score.

The issue is not that companies are underprioritizing self-service. As the earlier data proves, they most certainly do want to help customers resolve more issues on their own. They most certainly do want bots and intelligent IVRs to become more capable support options.

Rather, these statistics underscore the extent to which companies are focusing on the big picture benefits of artificial intelligence. They know it can do more than make chatbots more intuitive and conversational; it can help companies better understand customers.

By unlocking that vital intelligence about customers and their issues, AI empowers companies to create more productive, seamless and personalized journeys. Whether customers end up staying in self-service or escalating to live agents, they will receive the right experience for their particular intent.

If anything, the data *stresses* the importance of deploying bots throughout the customer journey. It speaks to the unique role bots can play in gathering data, categorizing customer intent and orchestrating journeys. Even if a company has no interest in offering self-service at scale, it can derive tremendous value from their intelligence capabilities.

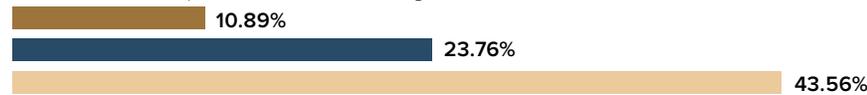
The COVID-19 pandemic has further illuminated the value of these intelligence capabilities. Knowledge about what customers want, how they are choosing to interact, and what pain points they are experiencing is *particularly essential* in an era of economic uncertainty, heightened emotions and unpredictable call volume. AI-driven insight into interactions also companies monitor and manage the performance (and compliance) of agents who are working remotely.

Consider your existing and future AI investments. How important are the following objectives?

Resolving more issues via self-service



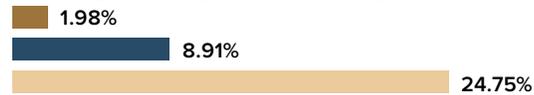
Bot handles some parts of conversation, Agent handles others



Routing customers to the right agent



Collecting more insight / understanding customer intent



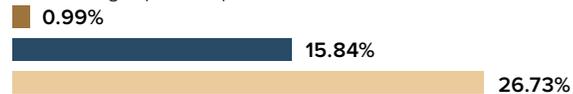
Improving training and coaching



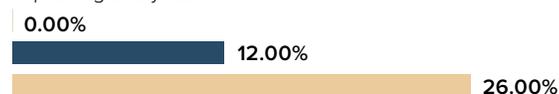
Augmenting/guiding agent conversations



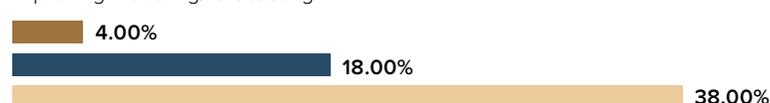
Automating repetitive processes

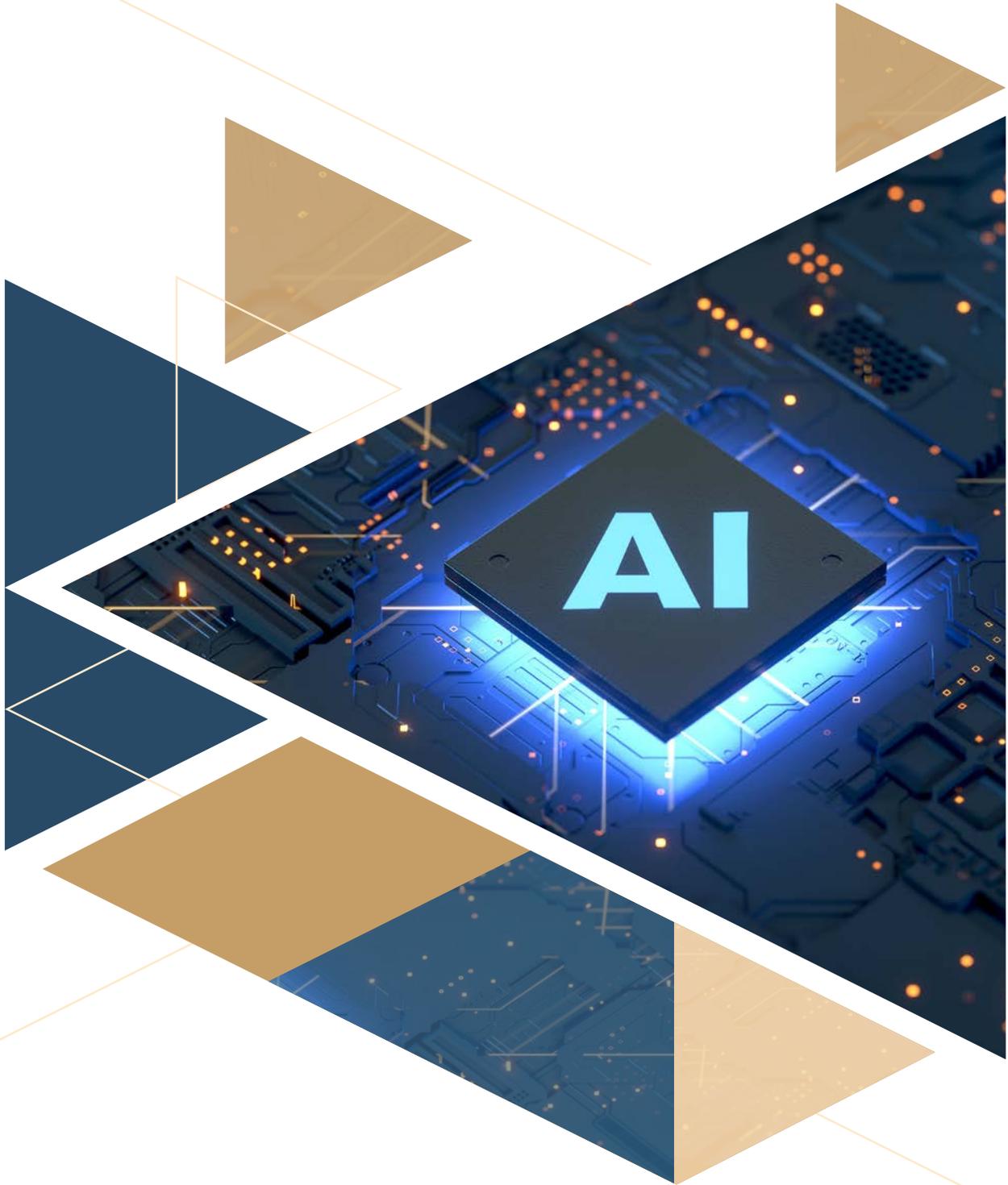


Improving analytics



Improving modeling/forecasting





JUNE 2020 MARKET STUDY

Practicality Guide

Customer experience case studies,
expert tips, and practical exercises
that you can bring back to the office.



PLAN & RESPOND: WHY AI-POWERED SOLUTIONS ARE THE KEY TO CONTINUITY & CUSTOMER CENTRICITY

Every facet of customer contact strategy hinges on two factors: planning and responding.

Consider a support interaction. Success is a direct product of how well you *responded* to the customer's inquiry. Did you provide a suitable resolution? Did you foster a human connection throughout the conversation? Was the process convenient?

Your response, however, was the result of how well you *planned* your experience. Did you integrate channels to reduce customer effort? Did you provide agents with the training and data needed to personalize the experience and deliver the best possible resolution?

The same duality applies to other aspects of the customer contact operation, from introducing new channels, to improving agent satisfaction, to adopting a new cloud platform.

It undoubtedly applies to the recent COVID-19 pandemic. The pandemic put our *crisis response* mechanisms under the microscope. It tested whether organizations could

deliver great experiences while adapting to work-from-home, digital-first engagement, surging contact volume, serious health concerns, and tighter resources.

An effective response, of course, hinged on how well we established business continuity plans prior to the outbreak. Organizations with agile people, processes, and technologies responded to the marketplace shift far more successfully than those that never questioned the enduring relevance of the traditional "call center."

The same mindset, moreover, will apply to organizations looking to modernize their contact centers in the wake of COVID-19.

"This crisis will subside, but new crises will arise," explains Justin Sears of Lucidworks. "Any plan for the future must make you ready to respond to any crisis. Actually, when you think about it, every support ticket is a 'mini-crisis' for the user who makes the call or submits the ticket—smaller than COVID-19, but a crisis nonetheless."

Because it supports better planning and improves responses, a savvy approach to artificial intelligence is the key to simultaneously achieving business continuity and customer centricity.

This briefing reveals the specific ways AI-powered solutions can modernize the service experience, before sharing proven examples of success.

UNDERSTANDING AND ACTING ON CUSTOMER INTENT

Whether to buy a new suit for a conference, cancel a gym membership, or receive compensation for a late food delivery, all customers have a reason for interacting. There is an *intent* behind their direct (and indirect) communication.

Insight into this intent plays a pivotal role in both *planning* and *responding*. Modern, AI-based technology plays a pivotal role in acquiring this actionable intelligence.

Leading solutions can interpret and classify customer intentions based on their underlying inquiries and behaviors. Using a combination of natural language processing and deep learning, these tools can decipher what customers really want, how they tend to pursue these outcomes, and how companies can best deliver desired results.

“Both [Lucidworks] Fusion and Smart Answers use AI to predict user intent and match that intent with the best information,” says Sears regarding examples of such technology. “If you have Fusion and Smart Answers, both of those systems are sending you millions of signals about what your users need. What are they searching for? What questions are they asking? What words are important? AI interprets those signals and constantly tunes automated systems to match intent with information.”

At the interaction level, this leads to more productive conversations. With an ability to accurately predict (if not outright know) what a given customer wants to achieve, the agent or bot can provide more efficient and valuable support. Bots can solve more problems -- and seamlessly escalate those they cannot. Less consumed with interrogating customers and digging for information, agents can demonstrate more warmth and empathy while solving problems.

“We have another add-on application called the Predictive Merchandiser, designed for merchandisers on ecommerce teams,” adds Sears. “It uses AI to analyze signals as they come in from shoppers doing what shoppers do on a website: searching for products, browsing offers, adding things to cart. Predictive Merchandiser operationalizes the fastest path between understanding what shoppers want to do and then tuning their experiences (in hundreds of different, simultaneous ways) to make them more personally rewarding.”

This insight also improves overall experience design. With AI-powered analytics uncovering patterns about how, why, and where customers interact, the organization can orchestrate better conversation flows, decision trees, and journey maps. It can help customers quickly locate the right channel for their issues, while training bots and agents to better predict and respond to particular intents. It can also make proactive engagement more viable, as companies will know which problems and needs to anticipate - and how best to preemptively address them.

The result will be more self-service and digital utilization, more effective proactive engagement, more prepared and productive agents, and ultimately happier and more loyal customers.

AI’s ability to uncover customer intent is hardly a secret; as the Market Study confirms, 64% of companies view “collecting more insight and better understanding customer intent” as an “extremely important” objective for their investments.

Nonetheless, those who act first stand to enjoy a significant competitive advantage. At present, only 6% of companies are “very successfully” analyzing customer intent.

ADAPTING TO NEW CUSTOMER NEEDS, DEMANDS AND BEHAVIORS

To advocate for astute planning is not to feed the delusion that customer contact leaders can devise a blueprint for every conceivable scenario or a script for every possible conversation. COVID-19 provided a powerful reminder that market conditions, customer demands, and engagement tactics can change on a moment’s notice.

Planning, instead, is about ensuring the contact center and its agents can quickly respond to whatever changes may come. It is about empowering the company to remain customer-centric, even as the target moves.

Leading AI solutions foster this agility in numerous ways. First and foremost, they improve the ability to develop and leverage actionable intelligence.

“Great AI solutions, including all Lucidworks products, work so well precisely because they diminish the distance between data gathering, analysis and action,” notes Sears.

Legacy-minded operations are bottlenecked by channel-specific data collection, manual analysis processes, and silos between stakeholders; AI tools help companies instantly glean real-time insights from all channels. They then put this data into usable formats, allowing agents and bots to see and use exactly the insights they need when and where they need them.

AI-driven tools additionally help companies update scripts and knowledge bases in the face of change, such as the introduction of new regulations or unforeseen crises.

“A prospective customer at a national health agency in Europe told us that he wishes he’d had [a solution like Smart Answers] in place,” shares Sears. “His old Knowledge Base/FAQ system crumbled under the COVID-19 burden. The agency had a clear point of view on the important public health questions to answer for its citizens, but there was no way it could know ahead of time exactly how people would ask those questions ... That health agency wrote up question-answer pairs for its FAQs, but a large portion of the population did not ask the question in the right way, so they couldn’t find the answer. Those who couldn’t assumed (erroneously) that the agency did not know, or they picked up the phone and clogged that communication channel as well.”

Instead of training agents to memorize complicated new policies, companies can instantly update bots and other adaptive self-service tools to ensure compliance. Instead of attempting to guess how customers may seek support related to external crises, companies can use AI tools to listen to what customers are actually saying - and then automatically develop new scripts and conversation flows. The end result will be more productive conversations for customers, and more efficient processes for the organization.

Not simply adept at managing information, AI solutions also help companies adapt to changes in volume and channel preference. Whether by solving problems or feeding timely information to an agent, AI self-service tools improve capacity throughout the entire omnichannel journey. They allow companies to bolster their digital or voice offerings even if they do not have the opportunity to hire more employees or instantly and rigorously reallocate (and retrain) staff.

A company that was phone-centric yesterday can become chat-centric today and social media-centric tomorrow. This reality makes bots - and all AI solutions - as much about *establishing business continuity* as they are about improving efficiency.

EMPOWERING THE MODERN CONTACT CENTER WORKFORCE

The most widespread responses to the COVID-19 pandemic were adopting work-from-home and increasing emphasis on digital engagement and self-service. As the Market Study confirms, the majority of companies will double down on these trends moving forward.

These initiatives will have significant ramifications for the agent experience, and AI can play a role in planning for (and optimizing) the transition. Agents will be able to perform more productively and respond to customers more effectively even in the face of dramatic change.

The key, of course, is recognizing AI as a way to augment, not replace, employees. It helps agents perform with *more humanity* by eliminating the robotic, repetitive tasks that stand in the way of their productivity and critical thinking. The situation is analogous to library card catalogs.

“The card catalog did not eliminate the need for the librarian; it freed the librarian to whisper with patrons about books they might like,” explains Sears. “The best use cases for AI are digital variations of what the card catalog did for the librarian.”

By virtue of resolving more issues and better qualifying customers prior to escalation, self-service chatbots stand to dramatically augment agent performance. Agents will not simply have more time to focus on complex interactions; they will be able to make these interactions more empathetic, personal and “human.”

Unwilling to settle there, astute companies will turn their self-service tools inward to improve agent desktops and processes. When internal systems better understand agent intent, they simplify the process of searching for customer and product knowledge. These benefits are particularly important in the era of remote work, given that agents will be dealing with more uncertainty and working more independently.

“The easily-answered questions are deflected by a self-service chatbot, and the agent can use the same chatbot to resolve the tougher customer questions, by following recommendations made by the exact same system,” details Sears. “After all, Smart Answers can predict the intent of the support agent just as well as it does for the customer. These exact same benefits apply to any remote workforce who submits their own support tickets to internal help desk systems. AI helps employees find the information they need in their newly remote work situation (and this is doubly effective when combined with AI-powered enterprise search). Digital assistants supplement HR, IT, and other internal departments’ ability to manage inbound requests. Popular use cases focus on company HR policies, travel policies, expense reporting, and document retention policies.”

Modern AI technology also accounts for two other remote work variables: inconsistent connection quality and unpredictable training needs.

By reducing inbound call volume and conditioning customers to trust digital channels, bots mitigate the impact of poor phone connections or noisy roommates. By simplifying knowledge management, AI tools help companies prepare agents for sudden shifts in products, policies or customer sentiment. By simplifying the search experience, AI tools reduce the impact of slow Internet or cumbersome systems. By analyzing agent performance in real-time, AI can pinpoint performance gaps and recommend training.

“AI can be ‘watching’ everyone’s work automatically to find the support strategies and communications that work best—then make those strategies available to everyone else, instantly,” explains Sears. “Managers will still ‘walk the floor’ for monitoring and coaching, but they can do that from any physical location in the world.”

Though immensely relevant for the COVID-19 response, an AI-driven agent experience empowers an agile, effective response to any sudden shift. It fundamentally frees agents from the limitations and bottlenecks of existing processes, allowing them to meaningfully engage with customers in any situation. It is the quintessential business continuity initiative.

WELCOME RESPONSES TO GREAT PLANS

Admiring the potential of AI and achieving results are two vastly different things. The contact center community understands this distinction all too well; despite all the hype, fewer than 10% of customer contact leaders believe they have very successfully used AI to boost engagement, operational performance or customer intelligence.

In many cases, the issue stems from a faulty approach.

“Companies get burned trying to follow a project-based path to AI adoption: pick a problem, build a model, see if it works, then put it into production,” details Sears. “This ‘AI by project’ approach fails often because it requires that too many new things work well together.”

Given the contact center’s reputation for operational silos and fragmented systems, requiring “too many new things work well together” is a certain recipe for failure.

The best solutions avoid these pitfalls by emphasizing familiarity and integration.

“Bring in Fusion and Smart Answers out of the box to solve the known search or chatbot use cases, and then you’ve got ‘AI Inside,’ says Sears. “The business sees quick results. The data scientist can use her existing models and data science tools to easily plug in new models to a system that’s generating copious amounts of its own training data (signals). The developers can create new apps using familiar APIs. And the IT team gets to manage one integrated platform, rather than four or five different technologies and vendor relationships.”

Not simply promising in theory, the Lucidworks solutions have driven powerful results for recognizable brands. They have helped companies efficiently redesign journeys and account for marketplace volatility (plan) while improving the quality of customer interactions (respond).

Company: Red Hat

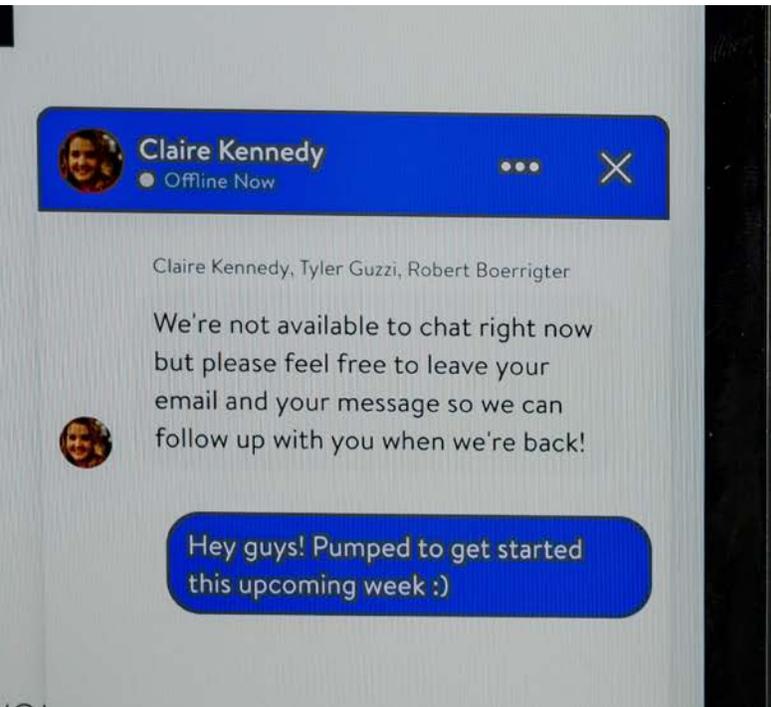
Challenge: Improve search result relevancy on Red Hat's customer support portal and intranet so that customers who want to self-solve are quickly connected to the solutions they're after and, if a support ticket is opened, customer support engineers find the assets they need to close the case, reducing wasted time and overhead.

Solution & Result: Using Fusion signals, clickstream data is tracked on Red Hat's support website, which is then fed into ML algorithms to improve relevancy. Simultaneously, if a support ticket is opened, support engineers attach any assets used to help resolve a case to the ticket, then when a similar case arises, the doc used to close the previous case is surfaced as a solution. Time decay functions are applied to boost or bury assets based on when the asset was created or last used to resolve a case. As a result of high quality relevancy, 7% of Red Hat customers are able to solve their own cases, which, for Red Hat, amounts to roughly 1,350 support tickets deflected per month.

Company: Lenovo

Challenge: Replace the search engine on Lenovo.com, serving products and support to customers in over 180 countries speaking 88 different languages, and help Lenovo enact a full digital transformation.

Solution: With Fusion deployed on Lenovo's customer support site, clickthrough rates and bounce rates have shown dramatic improvement. By implementing Fusion signals to track user behaviors like click, add to cart, and purchase history, machine learning algorithms automate search result ranking for the vast amount of data in their knowledge base. Relevancy, measured by how often customers click on the first result versus any subsequent result, improved by over 55% in the span of just a few months after launching signals.



infobip

3 WAYS TO INCREASE CUSTOMER CENTRICITY WITH AI CHATBOTS

When evaluating customer contact technology, there is nothing wrong with seeking operational efficiencies or marveling over impressive features. These priorities cannot, however, come at the expense of the customer experience. If a solution does not lead to markedly better customer interactions, it is not worth pursuing.

Too often, technology buyers ignore this reality. They chase the latest trends or obsess over short-term costs, choosing technology that ultimately hurts the customer experience.

The traditional IVR - a notorious contact center “pain point” - embodied this mistake. Companies bought into the mirage of smaller call queues and lower interaction costs without considering what customers would experience when using the IVR. The experience ended up falling short, leading to more frustration and dissatisfaction. And since they were not able to solve their problems on their own, these customers *still* needed to speak to live agents - thus eliminating any potential cost savings.

Many made the same mistake with digital channels. They offered half-hearted, unintuitive experiences in chat, messaging and social, ultimately adding more frustration (and no additional value) to the customer journey.

As companies rush to embrace artificial intelligence (AI) technology, it is imperative to avoid this pitfall. It is important to implement AI-driven solutions in a way that *improves the customer experience*.

Luckily, leading AI solutions, including well-designed chatbots, make it easy to increase customer centricity. They immediately improve self-service, empower agents to better support customers, and aid organizations when designing customer journeys.

Best of all, they *do* boost efficiency and offer impressive features. The key is that they offer these benefits in tandem with - rather than at the expense of - the customer experience. As you build your AI roadmap, here are three ways the technology can immediately elevate customer centricity.

EMPOWERING FASTER, MORE EFFECTIVE SELF-SERVICE

In a recent CCW Digital survey, 80% of customers said they prefer fast, frictionless experiences to highly personal ones. Unfortunately, more than 50% of customers frequently experience long wait times, repetitive questions and struggle finding the right channel.

AI-powered chatbots directly address this challenge.

“Not many customers are willing to wait for a long time to get a response from the customer service reps,” says Tomislav Smiljanic of Infobip. “They want relevant and exact answers now, at this moment. That’s where chatbots are coming in. By utilizing chatbots, companies around the world are decreasing waiting time to a minimum, since answers customers are getting are instant.”

The key, however, is to identify the best use cases for bots -- and then deploy and train them accordingly.

By analyzing customer data, companies can identify the issues for which chatbots make sense. With this information, they can build journeys that direct customers with *those* issues to chatbots - and those with more complex ones to agents. Customers will, in turn, always get the most valuable and relevant support for their issues.

Once companies identify where, when and why to deploy bots, the next goal involves determining *how* to make them as effective as possible. An important step involves sufficiently training the bots and integrating them with all relevant CRM and contact center tools, ensuring they have the most relevant information possible about customers and their potential issues.

By leveraging natural language processing and strategically designed conversation flows, the best bots then make it easy for customers to ask questions and get the information they need.

There is nothing wrong with “humanizing” a bot, but the goal is not to impress customers with its ability to tell jokes or simulate a personality. The goal is always to show that it understands the customer’s intent - and can quickly provide the most valuable support.

If bots have a bad rap in today’s climate, it is because companies are *not* taking these steps.

“Unfortunately, we are still seeing many chatbots out there which are not built or trained properly, and are not able to resolve customers problems, and are having a negative impact on the technology itself,” says Smiljanic.

COVID-19, however, revealed how urgently companies need to reverse these mistakes and build bots that work for customers. Bots represented a way to give customers the information they demanded as quickly and conveniently as possible.

“In these days of uncertainty and information overload, even governments saw the importance of chatbots since they understood that it is important for the general public to have a credible source of information which is easily accessible,” notes Smiljanic.

PROVIDING INSIGHT INTO CUSTOMER INTENT AND SENTIMENT

Even when bots and AI-driven tools cannot *solve* problems, they can still contribute immensely to the customer journey.

Thanks to their natural language processing and machine learning capabilities, these AI solutions can quickly and accurately decipher factors like customer intent and sentiment.

With insight into why a particular customer is interacting, the company can direct them to the right channel and provide the most relevant information. With insight into how the customer *feels* during the interaction, the company can communicate in the appropriate tone - and escalate accordingly.

“For example, by doing the sentiment analysis, AI can help routing angry customers to the most experienced agents,” Smiljanic.

Not simply useful at the interaction level, this insight can improve overall experience design. By using AI to analyze aggregate data at scale, companies can better classify different customer profiles, intents and behaviors. This allows them to tailor their experiences - such as by updating bots, re-training agents, or orchestrating journeys - to what customers are actually demanding.

The most crucial step on the road to customer centricity is getting to know one's customers. Since AI helps companies learn exactly who these customers are and what they want, it therefore represents the cornerstone of a customer-centric experience.

HELPING AGENTS MORE MEANINGFULLY CONNECT WITH CUSTOMERS

The C-suite can say the customer experience is a top priority, and it can make customer centricity part of its mission statement.

None of that rhetoric matters, however, if *agents* are incapable of delivering great experiences.

Insofar as they directly interact with customers, agents represent the face of the brand. They effectively become the "proof" of whether or not the company actually cares about its customers.

AI can indirectly and directly help agents become more helpful and more personable. It can help them make more meaningful connections with customers.

For starters, successful chatbots will be able to handle a significant array of simple, transactional issues. Agents will consequently be able to focus more heavily on the complex, emotionally nuanced issues, leading to better, more empathetic, more "human" conversations with these customers. Customers will wait less and get to receive more personalized support.

By capturing customer data and categorizing customer intent, chatbots will also capture actionable intelligence for agents. They will reveal how customers will ask certain questions, which answers are more effective than others, and which customers (and issue) are likely to require additional support from agents. Agents can use this information to tailor their conversations, and managers can reinforce this knowledge during training sessions.

"Agents will have more time to focus on complex issues, which at the same time brings higher satisfaction," explains Smiljanic. "Alongside with that, agents will have the full context about the customer who already got in touch via bot, and will be 'armed' with all the information in the same place."

Bots can also play a role behind-the-scenes, helping agents better navigate internal systems or access key customer and company data. This will help them deliver more accurate and relevant information within each interaction.

Beyond having the knowledge and focus to perform better, agents will also be in the best possible mindset. AI solutions will make their jobs less frustrating, leading to higher satisfaction and better sentiment. This positive sentiment, per the famous "happy agents equal happy customers" cliché, will trickle down to the customer.

"[Agents] are more content with the work they are doing since they are tackling issues that have more value to the company's business," declares Smiljanic. "Overall, chatbots definitely have a positive impact on the backend operations."

MAKING CUSTOMER CENTRICITY A REALITY

The connection between AI-driven bots and customer centricity is not merely theoretical. Leading brands have been leveraging bots to dramatically elevate their customer experiences.

Working in partnership with Infobip, these companies are deploying WhatsApp bots to create 24/7/365 experiences that are easier, faster and more effective for customers. Customer effort and satisfaction metrics are improving, while costs are decreasing.

Two example success stories follow.

Company: Mukuru

Challenge: Customers required a support channel that was available 24/7 and at the same time reliable.

Solution & Result: Company introduced WhatsApp chatbot for customer communication. Chatbot was helping customers to manage money transfers but also to get in touch with the agent. The result - 22% of Mukuru's customers switched to WhatsApp which resulted in a decrease in call center costs, and increase in customer support agent efficiency.

Company: Jazz

Challenge: Slow onboarding process. They wanted to remove the need for customers to visit service centers or call customer support to receive tax certificates or duplicate bills.

Solution: Jazz introduced WhatsApp chatbot to its customers which resulted in 32% lower customer support costs, 250k active customers who used chatbot, and 71k saved calls in 3 months. With that their NPS score was 80/100, with the ease of use recorded by customers was 9.2/10.



MACHINES+HUMANS: THE NEXT CHAPTER

PLUS 4 KEY QUESTIONS TO GAIN CLARITY

Machine learning has the potential to power sweeping changes in the way we interact with each other and with customers, that is, if we can open our minds and our tech stacks. In a recent Accenture survey, three out of four C-suite executives expressed the belief that if they don't scale Artificial Intelligence (AI) in the next five years they risk going out of business entirely. In other surveys, C-suite executives consistently cite improving customer service as a top driver of AI implementation. These statistics remind us that the stakes for getting AI right in the contact center are extremely high and promise to get even higher over time.

Before we dig in to how to make that happen, let's clear up one common misconception: what we often refer to as artificial intelligence does not truly exist yet. Yes, the concept is real, but it has not come to fruition. As of right now, machines cannot replicate human thought. What is real today, however, that we casually label AI, is actually machine learning (ML). That difference matters because as we continue to automate more of our lives and our businesses, we will need the distinction. AI aims to

simulate natural human intelligence and decision-making whereas ML learns from data and by doing. The former serves as a broad field umbrella over the latter.

Reaping the benefits of ML means more than simply implementing the technology. With many organizations having launched pilots in 2019, the task in 2020 is to scale and focus resources on the business problems that are the most addressable and offer the greatest ROI.

Harvard Business Review explains that smart machines help humans expand their abilities in three ways:

- They amplify and boost cognitive, analytic, and decision-making capabilities by delivering timely, relevant data.
- They help companies free up humans for high-level, high-empathy work by interacting with employees and customers in new ways.
- They can mimic human skills like safely recognizing people and objects to extend the human workforce in factories, warehouses, and laboratories.

These examples can be seen at work in some of the world's most well-known businesses - those with the vision, risk tolerance profile, and resources to experiment (think robots in Amazon warehouses finding and packing products). But what about the rest of us? Well, it's something every business that serves customers has to take a look at, especially since 81% of customers across industries attempt to resolve their issues through self-service before reaching out to a live representative.

81% of customers attempt self-service first

Typically, we see contact centers using ML to improve and automate customer-facing applications. (Chatbots are today's most common example.) But, as Forrester explains, the vast majority of chatbots won't pass the test of simulating human interactions, despite recent improvements in the effectiveness of these tools. As a result, Forrester believes that AI will power less than 20% of successful customer service interactions this year. We would argue that the purpose of chatbots is actually NOT to simulate human interaction (which is indeed AI, as discussed above) but to learn from data and experience to deliver better service (which is ML).

The ideal CX solution seamlessly blends bots + humans in a single system to provide the effortlessness customers expect.

This said, chatbots that customers find incomplete or frustrating will end up driving traffic to human agents. Some organizations may not want this if they have the bot in place, but that's actually how it's supposed to work. The bot should aptly handle the simple, repetitive tasks at the front end of many interactions using natural language understanding (NLU) and sentiment analysis; both are ML capabilities. The ideal CX solution seamlessly blends that automated experience with access to live agent assistance in a single system to provide the effortlessness customers expect. In this scenario, NLU and sentiment analysis capabilities help the platform recognize when it's time to escalate to a human following the self-service options.

Yes, ML can definitely help streamline customer-facing interactions in the contact center. And, yes, companies are starting to explore exactly how. Now, let's go a step beyond, as there's so much more to this concept.

An even greater opportunity lies in leveraging ML capabilities behind the scenes to streamline internal processes around interaction routing, coaching, training, and data processing.

THE NEXT CHAPTER

Imagine a contact center environment that did not need supervisors to set schedules or routing rules or make staffing decisions. Imagine having smart machines that *learn* which agents excel at which types of interactions, on which days, at which times. It is possible. It is actually probable and likely. Leading thinkers at brands across industries are going to begin using ML in new ways behind the scenes for things like:

- Staffing - ML can help companies decide which employees should work which days and shifts based on how they have performed in the past, how adept they are at handling each interaction channel, how many concurrent interactions they can manage, and how satisfied the customers they interact with end up being
- Coaching & training - ML, along with NLU and sentiment analysis, can help determine which agents and employees need to be coached and trained on which topics and deliver associated content as needed

As *Harvard Business Review* rightly points out, "Organizations that use machines merely to displace workers through automation will miss the full potential of AI. Such a strategy is misguided from the get-go. Tomorrow's leaders will instead be those that embrace collaborative intelligence, transforming their operations, their markets, their industries, and—no less important—their workforces."

We are optimistic about the positive impact deploying ML behind the scenes will have. Happier customers served more quickly with accurate information is great, and it's what every brand wants. But there's so much more to gain, like:

- Happier, more engaged employees working to their potential with optimal schedules and relevant training at their fingertips
- Less manual provisioning of contact center software by supervisors and IT staff, freeing up dozens of valuable resources per week
- Increased efficiency across the entire organization from the front-line to the back office

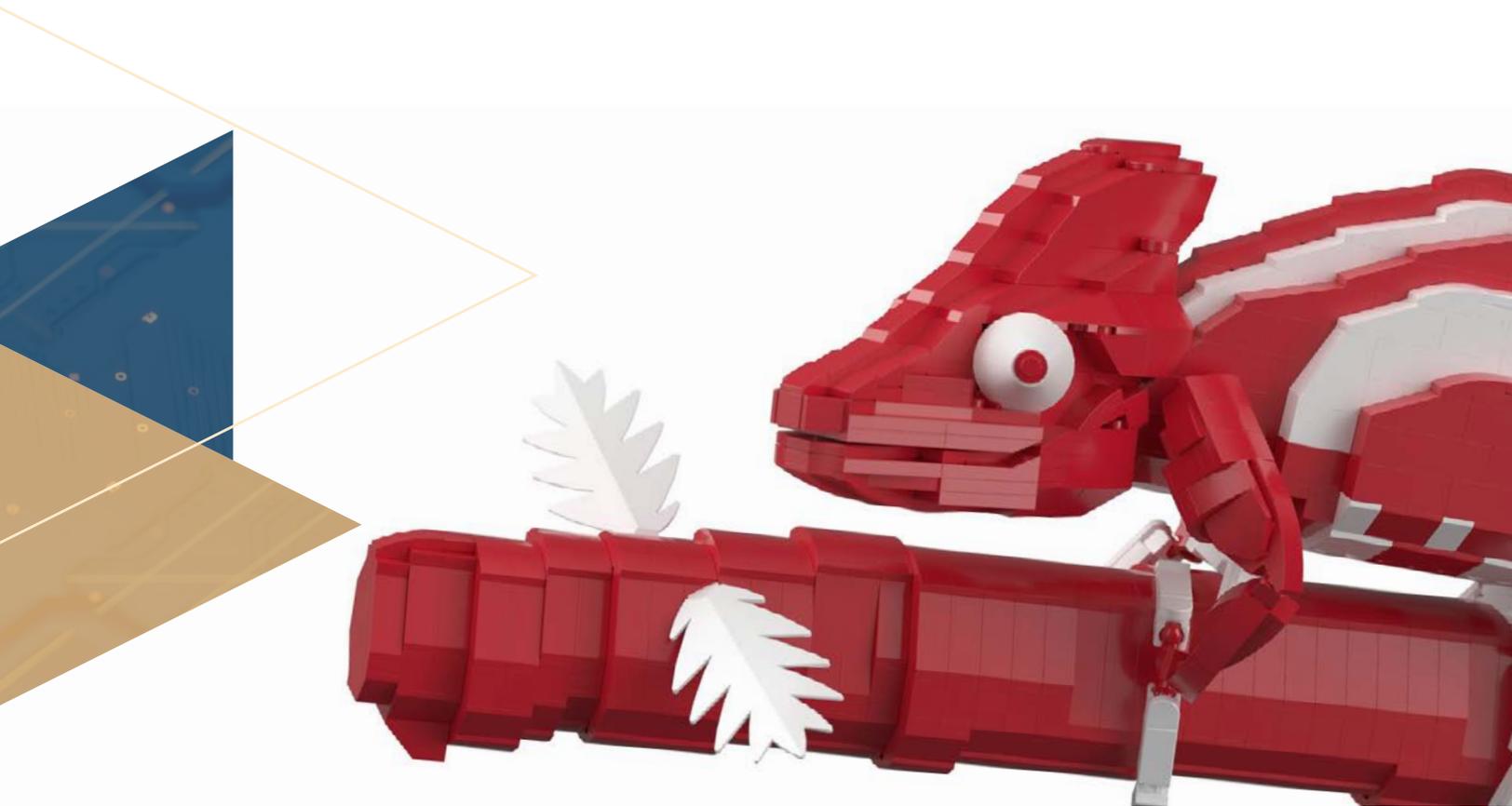
GETTING CLEAR

This can feel like a lot to digest; there is a mountain of research and likely even more opinions to consider when taking steps to implement machine learning. Just know it does not all have to happen at once. Every decision to put ML to work in the contact center and across the organization is a decision that puts efficiency and experience first. So, begin by asking yourself and your team some questions like:

- What obvious tasks do we have humans doing that could easily be handled by a smart machine? (Think: account lookups, billing status)
- What more complex tasks do we have that could use the human attention and empathy we will be able to address with our freed up resources? (Think: emotional customers and complex issues)

- How will doing so also make our employees feel more engaged and connected to our customers, and therefore happier at work? (Think: giving our employees more purpose)
- What gaps exist in our internal processes around staffing, scheduling, coaching, and training? (Think: are the right people being utilized at the right time so our customers are getting the best of our best and our employees feel impactful?)

Adopting ML and putting smart machines in place is a process rather than a destination. Think of it as an evolution - a fluid journey in the direction of progress. An open mind and an attitude of exploration will take brands a long way toward figuring out how these technologies can help their employees and their customers have better experiences at work and in life.



BUILD AN IVR THAT BLENDS SEAMLESSLY WITH YOUR EXISTING INFRASTRUCTURE

Press 1 to check the status of your delivery.

Press 2 for account information, including billing and delivery address.

Press 3 for another menu of options, which may or may not apply to you.

We've all been there: trudging through an IVR menu to find which figurative door holds the service you want. You know where you want to go, you just don't know how the system has labelled it. "Please listen carefully, as your options may have been changed." It's infuriating. It's not how today's customers want to do business with you. It's easier than ever to switch to a competitor today, so you can't afford for legacy systems such as an ageing IVR to hold you back. In fact, 41% of customers will stop doing

business with a company after a bad communication experience.¹ Anyone that tells you an IVR is simply an efficient way to deflect calls is missing the point. You can elevate your customer experience by building the perfect IVR for your business. Twilio's technology gives innovative businesses a better way to build great customer experiences:

- Gain the flexibility to deliver the service quality you aspire to
- Beat the limitations of costly IVR legacy systems
- Refuse to accept the compromises of off-the-shelf IVR solutions
- Get more from your existing investments with effortless integration

¹ Twilio Customer Communications Report

BUILD WITHOUT COMPROMISE

The challenge

Traditional hardware-based IVR systems can take months to set up and connect to a carrier. Plus they need expensive new infrastructure that demands up-front capital investment.

The Twilio advantage

Twilio's set of communications APIs enables you to create your own customer routing and self-serve system specific to your business needs. You can:

- Drive down IVR setup costs, then pay only for what you use
- Easily expand into new markets or regions without waiting to deploy new hardware
- Stop worrying about capacity planning – scale up or down in response to customer behaviour

With all your voice calls recorded and stored in the cloud, it's easy to transcribe and retrieve huge volumes of customer conversations, then unlock their hidden value using your own analytics tools.

We built the Twilio Super Network to save you from having to manage carrier complexities. We piece together connectivity for you, and build in redundancy at every level. Take advantage of a reliable global ecosystem of Tier-1 carriers with a few clicks.

FAST, FLEXIBLE OPERATIONS

The challenge

All too often, legacy IVRs are frustratingly inflexible, with even simple changes to call routing, adjusting greetings or adding new languages needing specialist skills.

The Twilio advantage

With Twilio's APIs, you can build a cloud based, adaptable, and multichannel customer assistance solution. So it's way easier to create the customer experiences you envision:

- Easily update IVR workflows on the fly in response to changing circumstances
- Simply use your in-house developers to make change workflows quickly and cost-effectively, and let your web developers become your IVR developers
- Quickly create or adjust IVR journeys using Twilio Studio, our intuitive drag-and-drop visual builder, enabling even non-technical people to make changes to workflows quickly
- Easily akeydd bespoke capabilities that enable customers to self-serve – from balance checking to appointment setting

With no technical barriers to making changes, you can update and improve customer experiences as often as you like – for example, using A/B testing, or updating greetings in as long as they take to type. You can make changes to your IVR just as easily as you would add content to an app or your website.

BI-DIRECTIONAL INTEGRATION

The challenge

Why rip and replace your existing infrastructure investments when you can easily integrate them with Twilio to deliver game-changing service quality?

The Twilio advantage

Integrate bi-directionally to your CRM platform, or any systems of record you choose, to help you deliver a more complete customer experience:

- Create a single customer view that includes essential details like order history, most recent call and communication preferences, to deliver personalised IVR customer interactions.
- Overcome the challenge of siloed analytics by building real-time intelligence into your IVR systems so you can react to customer insights while they're freshest.
- Integrate your IVR with emerging messaging channels so customers can connect using popular tools like WhatsApp and Facebook Messenger.

The power of Twilio's APIs is the ability to embed across multiple communication channels. Meet your customers on the channels they prefer and ensure self-service experiences are covered across every support channel.

CONVERSATIONAL ARTIFICIAL INTELLIGENCE

The challenge

Typical legacy IVRs deliver impersonal experiences. They're unable to greet callers by name or route calls based on a customer's latest activity, let alone glean valuable insights from what your customers say.

The Twilio advantage

With Twilio you can build conversational applications that deliver the quality, consistency and reliability that differentiates outstanding customer experiences.

- Add natural language processing (NLP) to create an IVR that can understand why customers are contacting you
- Dynamically map call routing to common customer journeys so issues are resolved faster
- Connect your IVR to leading AI and ML platforms to improve customer experiences with services such as sentiment analysis and conversational AI

Conversational IVR is proven to reduce average handling times, improving efficiency for your business and making processes less time-consuming for customers. It's a great way to set your company apart from competitors who have less advanced IVR capabilities.

IVR INNOVATORS

Meet the progressive brands who are using their IVR as a differentiator with Twilio



In just four weeks, Marks & Spencer built a Twilio-powered prototype to handle 12m incoming calls quickly and efficiently.

MARKS & SPENCER

As a premium retailer, UK-headquartered Marks & Spencer knows its customers expect the highest standards of customer service.

Marks & Spencer acknowledged the limitations of both its IVR and wider customer service infrastructure. But they also saw an opportunity to apply automation, and innovative technologies like artificial intelligence, to transform the accuracy, efficiency and scalability of contact centre call routing.

"The new solution has given Marks & Spencer an improved ability to have more direct and meaningful conversations with our customers. We're excited to see where the platform takes us as we continue the roll out across our contact centres."

Our IVR APIs enabled the business to improve customer experiences in essential areas:

- Scaling up capacity so calls are answered quickly, even at peak times
- Routing calls more accurately with a 90% success rate
- Reducing waiting times during call transfers
- Cutting average handling times by 10 seconds to deliver better customer experiences

Twilio has helped Marks & Spencer to generate a \$10M uplift in sales.



94% of customers are happy to buy again when they enjoy a simple, easy support experience.²

TOURRADAR

Vienna based adventure holiday company TourRadar needed to reassure customers they were safe booking expensive vacations with a faraway company. Customers were flooding the business with phone calls just to feel confident TourRadar were a legitimate business.

With a Twilio-powered IVR, TourRadar established a virtual global communications centre.

The pilot took just one week for just a single developer and intern to build, with the full solution up and running in a matter of months.

Over 90 agents now work around the world, providing true 24/7 coverage. They can often operate from home, managing international accounts – and all contactable by customers using local phone numbers.

“Oftentimes customers just call from a trust perspective” says Albert Azambuja, a product manager at TourRadar. “They want to know, is this for real?”

Enabling TourRadar to deliver reassuring customer experiences has been pivotal in establishing customer trust and the building of a successful brand. The business now offers 40,000 holiday choices and is increasing market share in its key local markets.

² Gartner, ‘Customer Loyalty Myths Debunked’.



CUSTOMER CENTRICITY: THE REAL REASON TO MODERNIZE YOUR SERVICE EXPERIENCE

Business leaders frequently tout the customer experience as a top priority. They identify customer centrality as the driving force behind the technology they purchase, processes they implement, and training they deliver.

Ironically, they routinely make these decisions in an insular boardroom -- without any actual input from or consideration for the customer. They marvel over impressive technology features, benchmark against industry peers, and align with conventional “best practices” but neglect the voice that matters most to the customer experience.

As companies redesign their customer contact operations in the wake of COVID-19, they cannot succumb to this mistake.

When considering concepts like business continuity, scalability, and agility or evaluating strategies for remote work and digital engagement, their guiding light needs to be the customer. Which operational changes will create more value for customers during the experience journey? How will the company continue to satisfy its customers in the face of future crises or marketplace transformations?

“Remaining customer centric in any circumstances is not an option, it is a must, because in uncertain times customers will be more loyal to those businesses they can still trust,” declares Tibor Vass of Genesys. “Losing customer centrality in challenging times means you may lose your customers faster. They are more frustrated, they have urgent issues that can’t wait, and maybe they are coming to an early conclusion faster.”

The best course of action, therefore, is to approach “modernizing the service experience” as a synonym for “making customer centrality a reality.”

Because companies have different customers and different goals for their relationships with these customers, there can be no one-size-fits-all approach to modernization. There are, however, some fundamental tenets of customer contact transformation that place the needs, expectations, and goals of the customer at the forefront.

MAKE OMNICHANNEL INTEGRATION A REALITY

For as often as leaders trumpet “customer centricity,” they even more frequently explain why fragmentation prevents them from delivering exceptional experiences. Whether in the form of silos between departments or incompatibilities between systems and contact channels, misalignment is one of the most prevailing contact center challenges.

Fully integrating the customer contact operation, therefore, represents a surefire way to improve the customer experience.

By adopting an omnichannel contact center platform, a company will empower customers to seamlessly move across touch points, reducing effort and increasing the value of their interactions. The platform will also make life easier for agents, who can leverage their 360-degree views to provide more efficient and personalized support.

“The challenge of omnichannel begins when you need to keep understanding the customer context across multiple channels and when the communication becomes asynchronous,” explains Vass. “In this case one connected transaction could happen in bits and pieces across different channels AND can cross different departments. And it is starting to be really challenging when customers are using multiple channels, multiple devices and even multiple identities, not just in a sequence but even simultaneously.”

“The goal is to be wherever the customer is and engage however the customer wishes - seamlessly and consistently without any extra burden/friction,” adds Becca Goren Mayers of Genesys. “It is about never having to ask anything again and never delivering an answer or response that is inconsistent with communications on other channels.”

The value of integration is not, however, limited to the direct engagement experience. Unifying customer contact systems also achieves the bigger goal of unlocking more credible, actionable data about the customer journey.

“You can’t measure something if you can’t see it... and you can’t compare things from different systems if they use different measurements,” explains Randy Carter of Genesys. “In a hyperconnected world, people expect to pivot from a web visit, to a web chat, to a call-back voice call, maybe even sending a cellphone picture during the call to show an agent the problem. If those events all happen in different systems, you have a steep challenge understanding the customer and handling their issue with speed and satisfaction, much less measuring and monitoring those interactions so you can plan and get better.”

Whereas traditional “voice of the customer” tools can only gather verbatim feedback from a small sample of customers in specific channels, omnichannel analytics platforms promise the ability to gather deep, actionable intelligence from every interaction throughout the *entire* journey. These tools can only do their job, however, if they can instantly look across all systems.

The company and its employees, meanwhile, require the same degree of unification in order to access and act on this valuable information.

OFFERING CLOUD-BASED CUSTOMER CENTRICITY FROM HOME

Even as COVID-19 subsides, remote work will remain a staple of the customer contact space. Seventy-three percent (73%) of companies will allow at least some agents to work from home.

As they transform their remote work models from crisis response necessities into permanent strategies, companies will reconsider all facets of the remote agent experience. The *best* companies will ensure these transformations lead to more customer-centric experiences.

This process, notably, involves adopting a cloud platform that makes it easy for all remote agents to access vital systems and engage in high-quality conversations. Customers should not “feel” any impact - let alone endure frustrated agents, impersonal support, or less reliable conversations - when interacting with members of the at-home team.

“If you have bandwidth and proper security you should be able to do anything in a well-designed cloud system,” declares Carter. “Access for anywhere gives you the flexibility to work in offices, from home, or on the road at sales or service calls. You shouldn’t have to install complex software to get things to work. Cloud software can work in a tab of a modern browser and use whatever audio or video services are on that machine. You can drop-ship a Chromebook and headset to anyone anywhere in the world and on-board them minutes after they receive the package.”

Not simply useful in accommodating remote work right now, great cloud platforms allow companies to continue improving their systems to better empower agents. With more tools at their disposal, these agents can deliver better experiences for customers. This ensures remote work will not thwart a company’s ability to innovate and transform as customer needs change and the marketplace evolves.

“It’s not enough just to get you up and running,” says Carter. “You need to be able to add more functionality, edit what you already have, and even replace key pieces when something better comes along. Cloud done right should support all of this because vendors don’t know the future either, and they need to build systems that can be easily extended by third-parties, by partners, by customers, and their own developer teams.”

Along with helping agents engage in higher-quality conversations, customer-centric firms will adopt rigorous security measures to ensure the flexibility of remote work does not come at the expense of customer trust. Cloud tools, coupled with strategic data governance policies, help ensure the potential vulnerabilities of remote work (less monitoring, personal equipment, roommates) do not eradicate privacy and anti-fraud protocol.

The “customer centricity from home” approach also accounts for the fact that agents will be working independently. With less direct guidance from supervisors and less opportunities to directly benchmark against their peers, agents will rely on robust reporting, real-time digital training, and powerful knowledge bases to become more valuable ambassadors for customers. AI-driven tools can further assist agents by offering in-call guidance and next-best action recommendations.

“This changes the job for an agent completely - they move from constantly catching up and hurrying, with apologies to the caller, to immediate recognition with the context to speak accurately and offer fast resolution,” details Carter. “The agent goes from feeling ill-informed, powerless and stressed - to feeling smart and fulfilled by helping people.”

All tools additionally help supervisors better manage their remote team members.

“New work enablement tools give supervisors and managers the information, context, and free time to recognize people for their value to the team - and recognition and respect for work is the key to human motivation,” adds Carter.

PROACTIVELY ATTAINING CONTINUITY AND SCALABILITY

The importance of swiftly adapting to change - including business growth, new customer behaviors, higher volume, and marketplace evolutions - goes without saying.

Customer-centric companies set a higher bar for their agility. Rather than merely reacting to new developments, they anticipate *and* initiate necessary transformations. This proactive mentality helps them consistently add value to the customer experience (even during periods of stagnation) and mitigate the impact of marketplace shifts and crises in the future.

In that sense, it represents the perfect way to achieve business continuity and scalability.

One obvious step involves leveraging low-code systems with an ever-expanding set of integrations. This empowers consistent improvements to the customer and agent experiences, as well as flexibility if the company needs to suddenly deploy new channels, connect new applications, expand its team, or account for surging volume.

“It is all about the open APIs and effortless development environment such as low code, no code dev tools,” says Vass. “The technology stack is continuously changing and companies who want to benefit from best of breed technology components but also want to mitigate the risk of customer experience erosion due to loose integrations.”

An integrated, cloud-based infrastructure will not only lead to immediate performance improvements but also facilitate future scaling - or consolidation - of operations. If needs increase, the company can quickly leverage a global, distributed workforce. Alternatively, if a particular region, team, or outsourcing partner becomes *unable* to perform, the organization can swiftly bring their work “back in house” - or allocate it to a different partner.

Proactive thinkers also differentiate themselves when it comes to digital transformation. Rather than rush-deploying digital channels and AI self-service to address high call volume (a widespread action during COVID-19), these leaders take a more long-term, customer-centric approach to their digital transformations.

They consider the use cases for which digital channels are objectively better - and then redesign their journeys accordingly. The emphasis on digital engagement helps customers get the most convenient and relevant support possible *while* conditioning them to use lower-touch support options on a regular basis. Bots also play a role in capturing vital intelligence and classifying customer intent, opening the door to further optimizations.

By building these digital-centric journeys now, companies have a better chance of maintaining continuity during future volume surges. They will not have to choose between overworking their unprepared agents or deflecting customers into unfamiliar, unproven digital channels.

Customers will instead continue getting immediate support from their go-to, inherently scalable self-service channels. Companies will, in turn, have flexibility to retrain and reallocate their traditional “call center agents” without risking any gaps in productivity.

“In case of normal load it is already challenging to assign enough resources to support customers who need human assistance through chat or phone calls, but imagine that when your website load triple or getting 10x higher due to a havana situation, as Covid was, and even more people are visiting the website because the inbound contact center is already fully overloaded and the clients can’t reach any agents,” articulates Vass. “In this case, additional human resources (which are short already) cannot help, so you need AI / conversational bots, that can off load all unnecessary traffic from your most valued human resources.”

To further eliminate scalability challenges, customer-centric companies will leverage AI-driven analytics to uncover “pain points” and other inefficiencies. In turn, they will have even *more* operational breathing room in the face of future change.

“AI can digest data from multiple sources and construct a customer journey - and then a different AI can analyze the journey to find critical points that could be issues - and finally another AI can summarize the work for a person to quickly understand, and hook context into links to make those found issues into options for the agent,” details Carter.



MODERNIZATION IS ABOUT MAKING SERVICE EXPERIENCES EASIER

COVID-19 has prompted contact centers to make significant changes. They are embracing remote work as a new standard. They are quickly scaling their digital channels and AI solutions. They are adopting cloud contact center platforms. They are reshaping their continuity plans.

COVID-19 did not, however, change the overall goal of the contact center: empowering employees to deliver customer-centric experiences. The aforementioned transformations, therefore, are only worthwhile if they improve operational efficiency, strengthen agent engagement, and lead to greater customer satisfaction and loyalty.

Savvy contact centers know that the best way to achieve those outcomes is to create *easier* experiences. They know that 81% of customers prefer fast, frictionless interactions to highly conversational ones. They acknowledge that seamless tools, systems and workflows impact agent productivity and satisfaction to a far greater extent than parties, comfortable chairs, and even high salaries. They understand that intuitive, scalable systems drive far greater ROI than technology with the flashiest new features.

Reducing friction is quite simply the cornerstone of a successful modernization initiative. This briefing accordingly reveals how to reduce customer, employee, and operational effort as you design your post-COVID-19 service operations.

REDUCING CUSTOMER EFFORT

Customers demand frictionless interactions; the experiences they receive can be anything but. CCW Digital research confirms that the majority of customers frequently face long wait times, repetitive questions, multiple transfers, and difficulty finding the right agent or channel.

In theory, the adoption of low-touch digital channels, including self-service, should solve this problem. It should allow customers to solve problems at their own convenience, using the same channels they leverage for everyday communication.

In practice, these digital platforms create *more effort*. Improperly staffed and designed, disconnected from core contact center systems (like CRM and knowledge bases), difficult to use, and introduced at the wrong parts of the journey, these digital channels become

impositions for customers. Bots fail to provide meaningful resolutions, and agent-led digital conversations are slow and unproductive. Worse, these channels do not facilitate smooth escalations to live agents when they reach their inevitable dead-ends.

It should consequently come as no surprise that customers, even younger ones, continue to identify voice as their preferred customer service option. It should be similarly unsurprising that only 9% of customers trust chatbots. The Market Study, moreover, confirms that 87% of companies believe they can improve digital utilization.

As you modernize your service experience, it is imperative to address these sources of effort. Key steps include:

- Consolidate point solutions into an omnichannel CX management platform to ensure smooth transitions from channel to channel, and agent to agent.
- Ensure agents have the training and data to deliver consistently great experiences wherever the customer wants to engage.
- Leverage bots and analytics tools to capture customer intent and sentiment, fueling more productive, personalized conversations *and* better journey designs.
- Further leverage this data to deliver relevant, timely, proactive communication in customers' channels of choice.
- Identify top use cases for digital channels, and build them seamlessly into the journey.
- Make digital communication intuitive with easy-to-navigate menus and options.

“Customers will dictate their optimal channel mix, but it’s the organization’s responsibility to offer any/all channels that customers need to make it easy to get what they need in the shortest amount of time,” recommends George Despinic of Mitel. “My vision is that over the next 3-5 years, all organizations will adopt an omnichannel mentality and give their customers the choice of communicating with them on their preferred channel during normal periods and in times of crisis.”

REDUCING EMPLOYEE EFFORT

What happens behind-the-scenes directly impacts what happens on-stage. Happy agents create happy customers. Easy agent experiences, meanwhile, lead to easier customer experiences.

The quest to reduce customer effort, therefore, starts with ensuring agents can easily perform their work and achieve their goals.

Seamless agent experiences are unfortunately not a commonality in the status quo. Upwards of 80% of companies say their agents *frequently* have to access multiple systems when supporting customers. The majority of companies do not provide agents with sufficient context when escalating from self-service channels. Absences of 360-degree views and intuitive knowledge bases further increase the difficulty - and delay - of providing personalized, relevant engagement.

By asking agents to begin working in at-home environments, learn new processes, adapt to changing customer expectations, and deal with surges in contact volume, COVID-19 introduced more potential sources of effort. It made seamless, reliable tools, systems, and workflows exponentially more important.

These systemic factors, of course, say nothing about the time management and mental challenges inherent to the remote model.

“Studies have shown that employees that work from home tend to be more productive but often don’t take breaks to decompress and socialize with fellow employees,” says Despinic.

As you build a contact center environment that empowers agents to work from home, it is essential to eliminate sources of agent frustration and inefficiency. Key steps include:

- Adopt an omnichannel customer experience solution that allows agents to seamlessly connect to all systems, view actionable insights, and ultimately support customers from a single platform.
- Deploy powerful chatbots and IVRs on the frontline to reduce inbound contact volume and collect vital information about customers, which can be fed to the agent upon escalation.
- Use automation to streamline agent workflow and assist them in gathering vital information from CRM and knowledge systems.
- Offer real-time views into performance to help agents benchmark against peers, relish in their successes, and recognize improvement areas.

- Strengthen internal knowledge bases and automate training to help agents quickly get up-to-speed in the face of changes to their environment or role.
- “Consider having a persistent virtual break room in the form of a video conference that allows contact center staff working from home to check in with colleagues on breaks,” adds Despinic.

“The best way to address the challenges of remote work is to simplify the technology ecosystem by consolidating as many applications as possible and use a modern API architecture that allows remote contact center staff to log in to one application to perform all of their tasks,” recommends Despinic.

REDUCING OPERATIONAL EFFORT

Optimizing the remote agent experience is futile if the contact center cannot even accommodate the needs of today’s new normal.

Consistently identified by CCW research as a major performance bottleneck, fragmented, legacy contact center systems have always represented a challenge. They did, however, at least support a baseline level of productivity. Contact center agents generally could access their desktops, engage in conversations, and receive IT support when they ran into issues. Adding or subtracting seats may not have been the easiest process in the world, but it was certainly doable.

Contact centers cannot take this basic level of functionality for granted in the work-from-home era. Since agents are using different equipment, accessing systems with different Internet connections, and working out of different environments, the company may have significant difficulty maintaining a consistent standard of care and interaction quality. Solving agent IT issues from afar will be a challenge in its own right.

These issues moreover, do not even cover the difficulty in *building* a modern contact center. Companies reliant on legacy infrastructure cannot deploy a remote, globally distributed workforce. They cannot quickly scale or reallocate resources in the face of marketplace changes or regional issues.

As you aspire to run a more efficient, agile customer contact function, it is crucial to address these key drivers of operational effort. Key steps include:

- Migrate to cloud-based infrastructure and solutions, ensuring the ability to instantly scale operations, introduce new features, and provide remote IT support.
- Implement work-from-home standards and procedures, advising employees on necessary equipment, workplace standards, and protocol for requesting internal support.
- Leverage modern contact center platforms, audit equipment, and emphasize digital channels to minimize the risk of call quality issues.
- Adopt efficient security solutions for properly authenticating customers, thwarting fraud attempts, and minimizing the risk of agent negligence or abuse.
- Establish efficient communication channels between shared service support functions and remote contact center employees.
- Leverage remote collaboration tools to assist with employee benchmarking and coaching.
- Build a business continuity plan, taking into account the technology and global resources you will need in the face of unexpected business growth or macroeconomic change.

“It makes sense to take these steps, because when contact center staff are working in the office, IT has control over all aspects of the call quality, reliability, and uptime,” says Despinic. “When employees work from home, they’re often communicating over the public internet which can be spotty and unreliable at times.”

“In order to remain customer-centric in these uncertain times, it’s absolutely essential that contact centers reinforce their essential applications like Telephony, ACD, Agent Desktop, CRM, Interaction Recording, Quality Management and WFM to be agile enough to quickly and securely work from home at a moment’s notice.”

FRICTIONLESS OPERATIONS ARE AGILE PERFORMERS

Reducing effort should always top the contact center priority list.

Even during periods of marketplace stagnation, initiatives that reduce customer, agent, and operational effort will lead to more customer-centric, productive, and ultimately lucrative contact centers.

And when things inevitably change, these contact centers can turn their frictionless operations into agility. They can swiftly and successfully redesign journeys, reallocate resources, and revitalize systems to keep operations running, agents performing, and customers smiling.

COVID-19 represented a massive transformation - and massive challenge - for the customer contact community. Companies that partnered with Mitel to modernize and streamline their operations, however, proved immensely capable of adapting to the sudden change. They, in turn, delivered immensely positive results.

Company: City of Oakland Park, Florida

Challenge: In order to keep essential services operating during the COVID-19 crisis while abiding by the “stay at home” order, the city needed to quickly transition office staff to work from home to deliver the services that city residents rely on. The city’s goal was to have their staff perform their duties as efficiently as if they were in the office.

Solution & Result: The city transitioned from no remote working capabilities to a fully virtual office and contact center in only a week. The city’s IT team was blown away by Mitel’s speed of response in helping them support their community while protecting the health of their employees.

Company: First National Bank

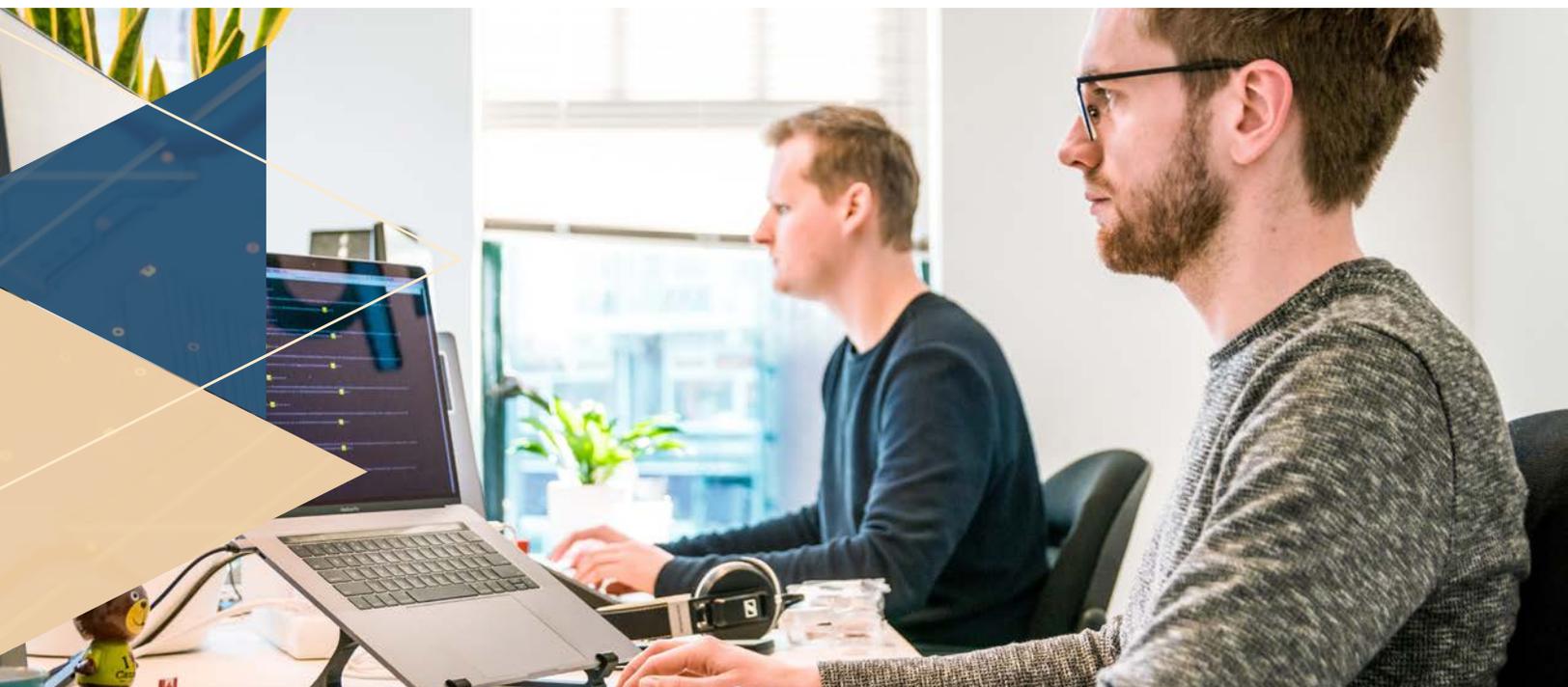
Challenge: Like most organizations, FNB faced serious challenges with the COVID-19 pandemic. Although they have 300 call center agents on the Mitel system, they only had 35 come to work one day and their licensing didn’t include softphone capabilities to allow them to work remotely.

Solution: Within the same day, Mitel was able to provide 220 softphone/teleworker licenses to get their contact center agents back up and running smoothly, working from home.

Company: Kabo Health (US)

Challenge: Under COVID-19, nearly all of Kabo Health’s clinical staff had to switch to remote working. With this unanticipated shift, they were relying on personal cell phones to make patient calls – but the patients didn’t recognize the caller IDs and weren’t answering.

Solution: The Mitel team was able to quickly set up Kabo Health’s clinical staff with an entirely new MiCloud Connect solution (including proper clinic caller ID) so their patients could receive the care they needed during a challenging time.



ILLUMINATING THE CONTACT CENTER'S PATH FORWARD

HOW TO CHANGE PERCEPTIONS TO DRIVE YOUR XM TRANSFORMATION

ENTER THE NEW ERA OF CONTACT CENTERS

The way businesses compete and win in the Experience Economy has changed. As experiences continue to grow faster than goods and services as a proportion of the economy, the organizations that rise to the top are differentiating themselves based on the experiences they create and deliver.

In customer experience, huge investment has been placed in experiences like eCommerce and retail stores, but there's one key experience many organizations continue to ignore—the contact center.

Seen by many as a service, not an experience, it's regarded by most leadership teams as a cost center. And for customers, it's seen primarily as a 'task' akin to paying one's taxes rather than an experience.

75% of consumers see calling a contact center as a 'task' rather than an experience

It's Time To Re-Think The Contact Center

Contact centers remain one of the most personal and important touchpoints in the

customer journey and represent a key point of experience differentiation that can help turn customers into fans.

We recently ran a 4-month study into the current state of contact centers to identify how experiences are designed and deployed, and how they could be re-engineered to provide lasting value to the business as a key driver of the customer experience.

The Study

- 4 months
- Interviews with contact center managers across several industries
- 100 contact center agents
- 2,000 consumers across 1000s of journeys

Based on the study, we've laid out a pathway for contact centers to move away from being viewed solely as a cost center and start their journey along the XM Framework to deliver differentiated experiences that drive value back to the bottom line.

The XM Framework looks at 3 core areas where organizations need to focus:

- **Culture** the mindset and culture that directly affects both customer and business outcomes
- **Competency** translating the strategy into tactics and actions through the practices you deploy on the ground
- **Technology** the conduit and force multiplier for the activities that affect everything from employee efficiency to experience differentiation

In this guide, we'll take a look at the culture of the contact center and explore the mindset shift that needs to take place to re-imagine their role and set them up as a key growth driver in the coming years.

IT'S TIME TO RE-THINK THE ROLE OF THE CONTACT CENTER

Think of a touchpoint where you have the opportunity to engage customers in 1:1 conversations, to hear directly from them what they like, dislike, and what they expect you to do about it.

Welcome to the contact center

Contact centers should be at the top of every CX manager's priority list. 78% of consumers say a single contact center interaction has permanently changed how they feel about a brand — both positively and negatively.

Brands that deliver world-class contact center experiences have an opportunity to turn detractors into promoters, and customers into loyal fans.

But in the race to capitalize on the experience economy and move away from simply selling goods and services to selling 'experiences', contact centers have largely been left behind.

78% of consumers say a single contact center interaction has changed how they feel about a brand

NOT A GROWTH DRIVER, YET

Contact centers are notoriously expensive service channels with a variety of important levers required for execution, and they are often viewed as a sunk cost of doing business. As such, their performance is largely judged based on their ability to drive efficiencies, with an increasingly long list of performance metrics accounting for every agent's time.

So when it comes to investing in improvements, they get in line behind other, more high-profile channels like physical stores and eCommerce websites.

Contact Centers—An Expensive Service Channel

Maintaining a contact center is an expensive business, so it's not surprising that the current metrics focus largely on cost efficiencies, not customer outcomes. Here are the investments required to maintain a contact center's operations:

- Software (cloud or on-premise)
- Physical infrastructure (office space, desks, hardware)
- Staffing (full-time agents, part-time agents, managers)
- Training (materials, trainers, non-working time)
- Customer knowledge base (development, curation)

It all comes down to mindset:

Investing in retail stores and eCommerce sites is perceived as a cost to support sales, and investing in the contact center is seen as a cost of supporting a service.

Give most leadership teams the choice, and they'd probably tell you they would rather not have to have a call center and would prefer to focus their investments in customer support via digital or self-help tools that are far less expensive to maintain.

It's a short-sighted view that has left many contact centers managing on threadbare budgets and unable to make the investments they need to deliver value back to the bottom line.

Next we'll look at some of the cultural elements to tackle to position your contact center to meet the increasing customer expectations and start delivering real value back to the business.

ALIGN YOUR METRICS TO DRIVE CULTURE CHANGE

The metrics you put in place to measure success are a key part of the culture you build around parts of the organization, and one of the key reasons why the potential of contact centers to deliver experiences remains largely untapped is that the metrics are skewed in favor of costs, not outcomes.

Going back to our retail store example again, they're typically evaluated on two fronts:

- A financial contribution such as sales per sq foot
- A cost metric such as cost per sq foot

Now think about the metrics your contact center uses. It's usually one-dimensional, and there are no prizes for guessing the dimension — cost!

In our most recent study into contact centers, the following were the most commonly tracked metrics in contact centers. Note how only the four in bold are customer-centric.

- Customer satisfaction
- Customer Effort Score
- First call resolution
- First contact resolution
- Abandon rate
- Avg Speed of Answer
- Avg handle time
- Avg transfer rate
- Avg after-call time
- Service level
- Cost per contact
- Inbound contacts per agent
- Calls per agent
- True call rate
- Forecast accuracy
- Avg occupancy rate
- Avg utilization rate
- Agent schedule adherence
- Agent absenteeism

- Agent turnover
- IVR containment
- Erlang Staffing Calculation

The scales are clearly unbalanced. Take average handle time as an example — when contact center agents are judged on this metric, they're being judged on speed, not on quality. So it's in their interests to finish a call in the quickest possible time, with no expectation of delivering a positive outcome to the customer.

41% of contact center agents cited 'being judged on over-simplistic metrics' as one of the top things they hate about their jobs

But what if that metric was measured alongside something more customer-centric and 'outcome oriented' like Customer Lifetime Value? Your calls might take longer, but if they lead to customers buying from the brand again and driving revenue back to the bottom line, that increase in average handling time can be seen instead as a cost of sale.

WHY CUSTOMER LIFETIME VALUE CAN HELP CHANGE PERSPECTIVES

We've seen already how the right metrics can drive a cultural change in the organization, and perhaps the best metric to help achieve that in the contact center is Customer Lifetime Value (CLV).

CLV is a measurement of how valuable a customer is to your organization across the whole period of their relationship with you.

It helps you to understand the financial impact of your investments over a longer period of time and, crucially, identify areas post-sale where you can increase the value of existing customers as opposed to focusing your investments only in acquiring new ones.

Compared to other call center metrics, its value really lies in how it's measured: dollars and cents, pennies and pounds, etc. It speaks the language of the C-suite by demonstrating impact to the bottom line, and helping contact center leaders to more effectively defend, and even expand their capital and operational expenditure budgets.

Going Beyond A Call-By-Call View

One of the great benefits of CLV as a metric for contact centers is that it encourages you to take a bird-eye view of the customer journey.

The ‘lifetime’ component is key. It’s not about this call that’s going on right now, or the issue a customer is currently on the phone to you about — it’s about the longer-term relationship with the customer.

As such, it’s vital here that you also understand their other interactions, both before and after picking up the phone.

Afterall, our latest research shows that 58% of people first seek support in digital channels, switching later to the phone to complete the task. Understanding what emotions they’re carrying into that call is essential—someone may have already tried to resolve the issue online, in which case they want a speedy resolution; another person’s reason for calling may be because their issue is complicated or sensitive, in which case a slower response is likely to be more appropriate.

Here’s a few things you should ideally include in your measurement program to understand the emotions driving your customers’ behavior:

Emotional delta include questions in your feedback program such as “Did this interaction change how you feel about [COMPANY]?” followed by a vector question to understand if it had a positive or negative impact.

Perceived time as we’ve seen, time is a relative measurement and is impacted by everything from the complexity of the task to customer demographics. So look to include a question like “Compared to what you were expecting, did this [INTERACTION TYPE]...” with options for “Took more time than I expected,” “Took about the time I expected” and “Took less time than I expected.”

Reason for a call most contact center feedback programs ask customers the purpose of their call. This is a misnomer as it simply captures the type of work being done (eg ‘closing an account’). To understand the emotions customers carry into the call, asking the reason for calling can draw out more actionable data such as ‘I called because I couldn’t complete the task online’ and get to the root of any frustration.

The Million-Dollar Question

The final, and perhaps most compelling, benefit to CLV is that it includes a monetary element. Unlike CSAT and other softer metrics which tell you how someone feels about the brand, CLV helps you demonstrate the impact on the bottom line.

CALL TIMES + 6%	COST - \$300,000
CLV + 12%	YEARLY REVENUE + \$3,000,000

So your call times increased by 6%, costing you around \$300,000 a year more to service your customers? It’s small change if you can prove that the slower, more deliberate approach to customer contact drives a 12% increase in CLV and an additional \$3,000,000 in revenue a year.

Moving towards a set of metrics that include a customer and business value outcome is the starting point for transforming how people see the contact center — when agents and leadership teams alike can see the true value of the operation to the bottom line, it rapidly changes the culture to one where experiences and the value they deliver become the driving force behind your operations.

APPENDIX



- 1. Playbook for a Modern IVR (ebook)
- 2. Building a Modern IVR (ebook)



- 1. Three Key benefits of adding chatbots to your business
- 2. Always Be Available to Support Your Customers With Chatbots



- 1. Contact Center Checklist
- 2. Contact Center ROI Calculator

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CCW Online: State of Contact Center Technology

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Market Study: New Standards for Contact Center Performance

April 27th, 2020



MAY

CCW Online: New Standards for Contact Center Performance

May 19th, 2020

AUGUST

Market Study: Modernizing Services Experiences with AI & Digital

August 11th, 2020



SEPTEMBER

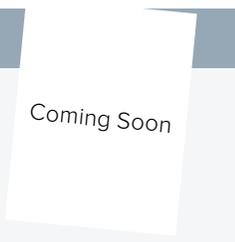
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MEET THE TEAM



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

Digital Marketing Assistant

CCW Digital

E: Emily.Dunn@customermanagementpractice.com