

Customer Contact Center Modernization – An Opportunity or Imperative?



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INTRODUCTION

The customer contact center has long been the backbone of customer relationship management. It is expected to not only maintain, but also enhance the company's brand and its customers' loyalty towards it. In the last decade or so, consumer and social trends led to the adoption of disparate contact channels, while digital technologies continually raised expectations for how businesses should deliver customer service. Organizations have tried to keep up, but haven't been as successful as they'd like. In fact, customers have typically felt dissatisfied, overlooked and left behind, while businesses have felt the pressure of increasing costs to support multiple channels.

Many executives believe that by prioritizing customer experience design and equipping the call center agents with a variety of tools and support channels, they are putting the customer at the center. However, a recent study found that only 12% of consumers feel that brands have made a significant customer experience improvement in recent years, just 11% feel that customer service employees care about solving their problems and only 11% think that brands value their feedback.¹ Another study found that only 3% of customers are "extremely happy" with the experiences they receive.² Clearly, the current ways of addressing the customer experience aren't really working — why is there a huge gap between where businesses are in terms of customer engagement and where their customers want them to be?

GREAT CUSTOMER SERVICE IS ELUSIVE, BUT A COMPETITIVE DIFFERENTIATOR

Customer centricity has become the go-to strategy in modern day marketing and sales, but a closer look at the industry suggests that the customer service function has not lived up to that vision. Studies show that poor customer service costs American companies over \$62 billion annually, as 51% of Americans say that they will never do business with a company again after having a negative experience.³ Another report highlighted that 40% of consumers start buying from a competitor because they hear about their reputation for excellent customer service.⁴ Unsurprisingly, 62% of companies view customer experience delivered through contact centers as a competitive differentiator.⁵

Customer loyalty pays, literally, in more ways than one. Harvard Business Review reports that it can cost anywhere from five to 25 times more to acquire a new customer than it does to retain a current customer,⁶ while another source found that businesses who focus on improving their customer experience also end up boosting employee engagement rates by 20%.⁷ It's important that organizations listen to their customers' feedback and act on them. But how can businesses do that when less than 4% of unsatisfied customers actually report their concerns before turning to another provider?⁸ What's more, most businesses are barely able to resolve the customer challenges that are actually reported. To know the pain points, companies need to truly understand their customer and become more proactive with solving their problems.

Over 62% of contact centers are perceived as a cost center by their organizations.⁹

Unfortunately, contact centers are still considered a cost center for many businesses. Consequently, organizations look for cost efficiencies in the contact center rather than technology and business transformations that could drive revenue and improve customer satisfaction. Innovation and modernization are often limited to specific processes and applications that offer cost reduction. Years of operating with this approach can result in call centers with outdated systems and legacy performance measures. For example, Forrester reports that 42% of customer service representatives can't efficiently resolve customer issues due to problems with disconnected systems, archaic user interfaces and multiple applications.¹⁰ If customer service levels are to match expectations, organizations must look at the function of contact centers differently.

¹ <https://www.customercontactweekdigital.com/tools-technologies/whitepapers/market-study-trends-in-customer-experience-design-strategy>

² <https://www.customercontactweekdigital.com/customer-experience/whitepapers/2018-ccw-market-study-the-customer-experience>

³ <https://www.vonage.com/business/perspectives/the-62-billion-customer-service-scared-away-infographic/>

⁴ <https://www.zendesk.com/resources/why-companies-should-invest-in-the-customer-experience/>

⁵ <https://www2.deloitte.com/us/en/pages/operations/articles/2013-global-contact-center-survey.html>

⁶ <https://hbr.org/2014/10/the-value-of-keeping-the-right-customers>

⁷ <https://www.mckinsey.com/~media/McKinsey/Global%20Themes/Customer%20Experience/CX%20Compendium%202017/Customer-experience-compendium-July-2017.ashx>

⁸ https://www.huffingtonpost.com/vala-afshar/50-important-customer-exp_b_8295772.html

⁹ <https://www.icmi.com/Resources/Research/2015-Collapse-of-the-Cost-Center-Driving-Profitability>

¹⁰ <http://www.aspect.com/Documents/Papers/Aspect-NGCC-Forrester-WP.pdf>

ADOPTING A MULTIFACETED APPROACH TO ACHIEVE CUSTOMER SERVICE SUCCESS

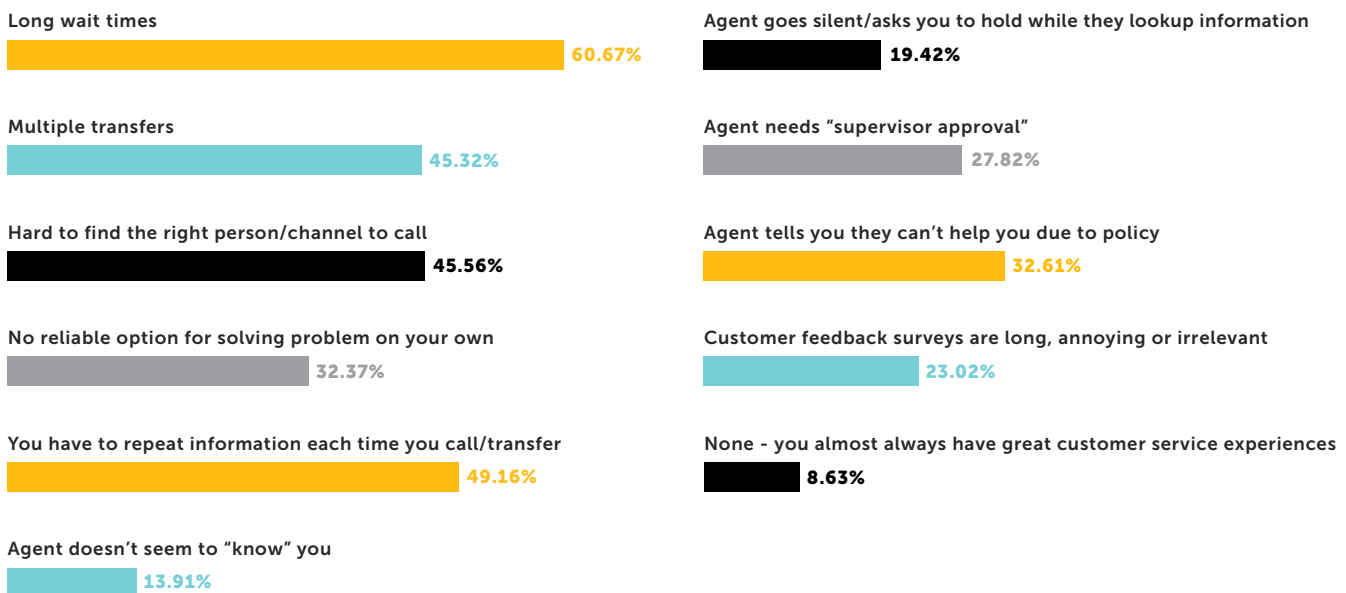
Today, artificial intelligence (AI) and intelligent automation (IA) technologies have a lot to offer for call centers, especially given the progress made in last few years combined with a better understanding of how these ever-evolving technologies can work together for better productivity. Chatbot platforms, machine learning models, and cloud and platform AI services offer better integration, are more widely available and have more knowledgeable developer communities than just two-three years ago. Not only are each of these technologies and solutions continuing to improve and grow, the industry is also growing smarter in using them. Additionally, solution providers have scaled their capabilities to enterprise-grade products, a trend that we can expect to continue. It is certainly an exciting time to be a technologist!

But typically, technology alone cannot solve customer service challenges, especially if platforms are implemented inconsistently or in isolation. Instead, a holistic, integrated, business-led, coordinated strategy is needed to produce the desired results. Putting on our design thinking hat and adopting a human-centric approach, we recommend looking at each stakeholder's perspective to achieve customer service success.

Engage the Customer

The major pain points for callers today have actually been the cause of frustration for a long time – and at some point, we've all experienced them firsthand. Callers typically wait a long time before an agent connects with them, then the caller often goes through several steps or transfers before they get to the right team to help them, repeating their information at each step. If we look past the poor experience and the perceived agent incompetence (more on this in the next section), there is clearly some informed shepherding required at this stage that technology can easily address with enhanced speed and accuracy. A chatbot or virtual agent supported by users' contextual information and a dynamic customer service knowledge base can help the caller seamlessly navigate to the right team or solution, while automatically updating the database with information on newly discovered problems and potential solutions for the future. To support diverse user preferences, the interaction should be designed to minimize friction in case the caller prefers to talk directly to a human instead of a virtual assistant, for example. Beyond the initial triage, enhancing the caller experience and solving their problem depends heavily on agent empowerment and training, which we'll explore next.

Which of these "pain points" do consumers frequently experience when interacting with brands?



Source: Trends in Customer Experience Design & Strategy | 2019 CCM Market Study

Empower the Agent

Agents are on the front lines of a call center and naturally bear the brunt of frustrated customers. Today, customers expect a personalized experience, and assume that the agent knows and understands their complex needs and previous interactions across channels. Customers are contacting support even more frequently, making the agent's job harder and more stressful as they are not equipped to fulfill these expectations. As call centers are often left to function in isolation from other parts of the organization, there is a growing lack of a bidirectional flow of information between the call center and the business. Often, the business isn't able to hear the voice of the customer (or the agents) and the agents are unaware of the overarching strategy and direction of the company.

56% of agents

report that dealing with complex issues is the most challenging part of the role, closely followed by the sheer volume of calls (38%) and the inconsistent experience customers receive depending on which channel they use (37%)

60% of agents

agree that their company doesn't always provide the technology they need to help customers

Over a quarter of agents (26%)

feel that the contact center is not properly connected to the rest of the organization, creating a silo between the business and what matters the most: the voice of the customer

Health of the Contact Center: Agent well being in a customer centric era. Calabrio. 2017

Such heightened complexities have induced stress and burnout among agents, which permeates into customer interactions. This makes it harder to maintain current service levels, let alone improve them. Studies show that 52% of the call center staff believes their company isn't doing enough to prevent their burnout, 43% are unhappy in their roles and 35% are considering leaving their jobs.¹¹ But there is hope: 41% of contact center agents agree that new technology implementation means that humans will have fewer administrative and routine tasks. In fact, technology has a lot more to offer now than ever before.

The confluence of big data, advanced analytics and integration technologies now means that a 360-degree view of the customer is no longer out of reach, when executed properly. 62% of contact center executives identify integration with existing systems as their biggest challenge,¹² something that IA tools can be tailored to

accomplish. Robotic process automation (RPA) can be used to retrieve data from legacy or modern systems while leveraging cognitive or analytical capabilities. Combining data from organizational and application silos can give agents the much-required cross-channel, cross-service and historic view of the customer. Further, machine learning (ML) and predictive analytics can arm the agents with customer-specific recommendations, such as the next best action or real-time customized offers. Personalization can greatly improve experience and go a long way in augmenting the brand, which could ultimately help achieve revenue objectives.

Speech analytics, advanced analytics and ML can be tremendously impactful tools that can enable contact centers to analyze conversations at both a macro and customer or user-specific micro level. Information gained from this data can give the agents and the organization unprecedented insights about a customer's wants and needs.

¹¹ <https://www.calabrio.com/contact-center-health/>

¹² <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/strategy/us-con-2017-global-contact-center-survey-printer.pdf>

Renew the Business Strategy

Earlier we mentioned how, over the years, treating the contact center as a cost center misled many organizations into focusing more on cost efficiencies rather than strategic transformation. To be fair, technology has never been in a better place to help than it is now. But before getting excited about technology's newfound power and jumping into a large-scale implementation, businesses need to step back and evaluate their current state while looking through a strategic lens.

A good place to start is determining how contact centers measure customer experience and performance. Recent studies identified that less than half of businesses even measure customer effort, net promoter score or customer emotion.¹³ Just 46% rely on the voice of the customer to measure performance. About one third of organizations do not actively map their customer journeys. Of those that do, only a small portion focus on building customer profiles or understanding customer intent.¹⁴ Selling a product or service without knowing what your customers think about the product or service, or even what they need from your organization, is detrimental to success. To quote Peter F. Drucker, "What gets measured, gets managed."

Lastly, for any transformation initiative to be successful, executive sponsorship is crucial. Business leaders and call center executives must become automation champions who rally teams together, help break barriers across silos and collaborate to achieve a common goal: Providing outstanding and personalized customer service. Once the contact center combines cross-functional resources and data, new user insights can be gathered to inform future strategy and enable new products and services for the organization.

CONCLUSION

Customer service is a competitive differentiator — and businesses with poor service are increasingly losing customers to competitors who truly care. In a hyperconnected digital world, organizations can no longer overlook the much-needed modernization in the contact center. The truth is that transforming the contact center is no longer an opportunity but an imperative.

The emergence of next-gen technologies can solve different pieces of the larger puzzle, thus breaking down the long-existing barriers to great customer experience.

While these technologies have provided new opportunities, if they are not integrated and implemented holistically, processes can still break and result in inconsistent and suboptimal experiences for customers. To fully realize the potential of technology enablement, businesses should avoid falling into the trap of testing it 'out in pockets' and instead have an organization-wide strategy to identify and achieve progressive wins that support the overall vision.

¹³ <https://www.callcentrehelper.com/measuring-customer-emotion-in-metrics-108786.htm>

¹⁴ <https://www.customercontactweekdigital.com/customer-experience/whitepapers/2018-ccw-market-study-the-customer-experience>

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