



## Future Technology: Customer Contact in the years to 2012

A paper for CCA Industry Council



## CCA INDUSTRY COUNCIL

CCA Industry Council drives the contact centre industry’s research agenda, by sharing information from all sectors to ensure the research approach, debate and output provides the pathway for the future in terms of new thinking and strategies.

An initial meeting was held when 30 leading players from industry debated ‘Changing the Rules’. From this debate it is clear there is a need to create ‘Beyond Operational Efficiency’ – a new vision for how customer contact centres should be repositioned within organisation, placing the customer at the heart of the business.

The Industry Council consists of an exclusive group of representatives from leading organisations who are committed to providing this input whilst themselves benefiting from a unique package of: leading edge research, networking, government influencing opportunities and establishing their profile as ‘Leaders of the Future’.

Expert academic and private sector facilitators will draw on leading edge debate and invite participation from other recognised research houses and agencies to engage with Industry Council to ensure the group deliver leading edge analysis.

As the independent professional body, CCA has a partnership with leading organisations and groups to access relevant research and information for the development of the Industry Council. CCA’s vision is for contact centres to be repositioned within organisations to reflect the increasing complexity and competitor challenges arising from the dominance of this channel.

CCA are indebted to the efforts of the Foundation Partner Group who have formed the backbone of activity in taking forward the development of the CCA Global Standard<sup>®</sup> and creating the vision for CCA Industry Council. These organisations from all sectors, public and private, each have a significant impact on the contact centre market-place.

### FOUNDATION PARTNERS



## Foreword from Rob Pike, Chair of CCA Industry Council



During the past 18 months CCA Industry Council has looked at many key questions facing the contact centre industry. Several topics have been covered, from getting the DNA of the customer into the boardroom, to understanding the impact of automation on the agent. We have carefully considered the impact of change with the able assistance of the Research Council.

For this quarter, we set out to answer the question “is there an iPod equivalent for the customer contact industry?” In doing so, we were conscious that there may not be something as significant as the iPod in customer contact, but an exploration of key technology changes is the first step in understanding how the future might develop.

Our time horizon being the next 3 to 5 years, we wanted to understand what technological developments have the potential to impact end-to-end customer contact. Obvious areas include front-end channel interface, workflow management and scheduling, database management and analysis, networks and virtualisation. We also sought to share learnings about successful deployment of new technology in customer contact and also to remember the changing customer.

The results of our debate and the contributed papers have centred on how people communicate with a company, how they are handled, and followed up by the organisation when the call gets through. The first is all about what external channels of communication the organisation provides and the second is concerned with the quality and level of support provided to agents and web-based processes.

Although we have not (knowingly!) identified the equivalent of the iPod for customer contact, we have established that the future is already here in terms of technology. Advanced contact centres today are using the technologies, such as IM and voice analytics, which the majority will be using in five years time. For the director needing to develop strategy, I’m sure the papers will provide useful guidance and advice.

Once again we are indebted to the work of CCA Foundation Partners who have been the catalyst of CCA’s evolution to become the present day Customer Contact Association. Their dedication has helped create CCA Industry Council, a unique think-tank which is challenged with finding solutions to ensure that the customer is placed at the heart of an organisation’s operations.

We would like to extend our grateful thanks to CCA Research Council, which has been strengthened with the addition of Ipsos-MORI and Ventana, for again providing very insightful findings into this critical issue.

**Rob Pike**  
Chair, CCA Industry Council

*Rob is Director of Operations, Ulster Bank Group and European Consumer Finance at the Royal Bank of Scotland*

## Maximising Investment in Contact Centre Technology

Prepared by James Rapinac, Gallup

**GALLUP**

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Talented, engaged and well-trained contact centre agents create value nearly each and every time they interact with a customer – whether providing customers with complex product information and advice, resolving a frustrating problem, or helping to complete a routine transaction. Moreover, these high-performing agents help their companies leverage and truly maximise the investments they have made in CRM, Web and IVR automation, and other technologies.

Gallup has observed that CRM, IVR, voice recognition and other automation technologies frequently fail to deliver their promised operational and financial benefits even when implementation and integration with existing systems are executed flawlessly. Often this is due to the law of unintended consequences: the potential adverse impact on employees and customers was not considered, or underestimated.

This paper will explore the following questions: When and why does technology fail to deliver, and what is the impact on customer and employee engagement, and on performance? And how should technology be implemented so as to increase customer engagement and maximise return on investment?

Often technology itself is not the problem, but rather how it is applied. Companies frequently decide to introduce self-service channels in order to automate certain types of customer interactions to increase contact centre efficiency and enhance revenue (as well as in response to customer demand for these channels). This makes perfect sense if the impact of the technology solution on customers and contact centre employees is taken into account, clearly understood, and managed effectively. If designed and deployed appropriately, automation technology solutions can and do certainly enhance both contact centre efficiency and the customer experience by handling those sorts of transactions that require little or no human intervention.

In the contact centre, value creation takes place during the agent/customer interaction. And as we have described in a previous white paper, agents are becoming mission-critical drivers of customer engagement as automation and self-service technology solutions proliferate. In environments where automation handles many routine customer transactions and enquiries, the right kind of agents must be hired, trained and equipped to respond to more complex and emotional customer enquiries.

What does this mean for contact centre managers who want to maximise the value brought by CRM and other service automation technology? Essentially it means that contact centre workforce talent, engagement, training and other requirements must be considered together with technology requirements. At the end of the day, companies that place their customers at the centre of their businesses understand that people create engaged customers and real customer value - not technology alone.

It is an obvious fact that automation technologies can deliver enormous benefits both to companies and their customers. However, when it comes to contact centres customer perception remains sceptical of technology. Surveys of both consumers and business-to-business customers frequently show that when it comes to contact centres there is a strongly negative view of automation and technology in general. Most of the time, when customers pick up the phone to call their product or service provider they simply want to speak with a live human being. This perception is also a result of negative experiences from poor technology implementations that result in excessive queue times, making the wrong touch-tone selection and ending up in the wrong part of the IVR system, or getting cut off.

Why does this happen? Technology on its own usually is not the problem. Or, rather, even when technology is the problem it is people - usually contact centre agents - who need to resolve the problem and who represent the last line of defence, both for the company and the customer.

Following are two areas vital to providing an excellent customer experience on a consistent basis where technology can create problematic, unintended consequences, as well as be an integral part of an effective customer-centric solution.

### **Channel integration and cross-channel knowledge sharing**

Let's assume that a bank customer has an important question about her account. First, she scours at the bank's website, product information sections and FAQs without any success. Next, she accesses her account via the website's online banking section in hopes that there will be specific information related to her question - again without finding what she needs. Next, she sends an e-mail to the bank's customer service department asking for the desired information. She waits a few hours without receiving a reply, so she decides to phone the bank's customer service department. She then patiently listens to the IVR menu and selects the

topics that seem to be the right ones, but after a few minutes she ends up in a cul-de-sac in the IVR menu. Increasingly frustrated, she presses “0” and hopes to be connected to a live person. Instead, she hears a few distant clicks just before the line goes dead.

After another two attempts with the IVR system she follows a path that puts her call into a queue to speak with a customer service representative. She is asked to enter her account number. Finally, after another ten minutes of waiting – and even though she is already five minutes late for an important meeting – she hears the agent’s voice.

At this point, this is the customer’s first call into the contact centre. However, not including attempts to find an answer to her question by browsing the bank’s website, this is the customer’s third attempt to contact the bank: e-mail, IVR, and now the contact centre. She is by now feeling very frustrated at this stage. Into the bargain, the first thing the agent asks her is for her account information (even though she entered it into the IVR system less than 20 minutes earlier). The agent has no knowledge of the customer’s recent contacts with the bank – and can therefore only ask how she can be of service.

In the above example there are a number of technology-related failures. But the most critical one is the lack of channel integration. The contact centre agent has no information about the customer’s attempts to get her question answered via online and IVR channels. If the agent is highly talented, knowledgeable, resourceful, and adept at defusing potentially explosive situations, this customer experience may in the end be a positive one. But technology failure has certainly stacked the deck against such a positive outcome.

The negative impact of poor channel integration on employee and customer engagement is understandably considerable. Agents are frequently faced with the challenge of achieving “first call resolution” with customers frustrated at not being able to obtain satisfaction through automated channels, and without any information about the customer’s previous enquiries or transactions. This has a detrimental effect on agent employee engagement, and the customer’s frustrating experience naturally leads to declines in customer engagement.

Channel integration needs to support a holistic view of the customer across all channels, and provide this history to the contact centre agent. The first call to the

contact centre may often be, for the customer, the second, third or fourth attempt made through different channels. CRM technology should address this issue by ensuring that problem type coding is done in the same way across all channels and by making customer contact history information available to agents. Also, companies need to involve different channels to ensure that problems in one channel are not avoided at the expense of creating new problems for other channels.

### Customer feedback technology

Asking customers to rate and provide feedback on their experience with your company's products and services, and specifically with the level of service experienced with the contact centre and other channels, is vitally important. Companies need to survey their customers consistently, and to use this feedback to improve service quality at the team and agent level.

Customer feedback technology can help to drive both employee and customer engagement if deployed in a measured way that emphasises actionability. However, Gallup has observed that technology-driven customer feedback initiatives can frequently lose their focus and result in "feedback overload" for contact centre teams who are charged with using this information to improve the service they offer to customers. Use of real-time customer feedback software or speech analytics, while potentially giving contact centre managers and agents valuable input about the customer experience, can instead result in a flood of confused data that is unfocused and too voluminous for it to be actionable in a way that truly helps to improve customer engagement in a consistent fashion.

However the customer experience is measured, the metric used needs to link with performance outcomes. Otherwise, any improvements or declines in scores or ratings – however they may be calculated – have no connection with real outcomes. Next, they need to lead to focused actions at the local level. Third, they need to be frequent – but not too frequent. As mentioned above, a daily stream of customer feedback can actually distract from focusing on key drivers of customer engagement.

Particularly in a contact centre the metric that really should matter is customer engagement. Why? Because this measure is powerfully connected to customer loyalty, share of wallet, and ultimately profitability. Gallup research shows that the more engaged customer service employees are, the more likely they are to create

engaged customers. So this means that it is equally important to ensure that contact centre teams are themselves engaged in order to set them up for success in creating engaged customers. And deployment of customer feedback systems and technology needs to take into account how contact centre agents and team leaders can best use this feedback to provide a better service to customers.

In summary, contact centre and automation technology needs to be integrated into the customer experience and not the other way round. Companies need to place their customers at the centre of their service models and then decide which technologies will best serve their customers' needs as well as how to deploy them effectively.

Further, Gallup's research shows consistently that customer engagement is created and sustained by human interactions, and this is all the more true in today's increasingly technology-driven, automated environment. The role of the contact centre agent as a driver of customer engagement is more critical than ever before. Companies therefore need to ensure that technology serves their employees - especially front-line customer service providers - as well as customers.

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**Additional materials/references:**

- *First Call Resolution: Success is in the Eye of the Beholder* by Tom Rieger - Gallup white paper, May 2007
- *Empower People, Not Software: What creates value in a call centre?* Glenn R. Phelps, Ph.D. - Gallup Management Journal, June 2002

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