Navigating change 5 key contact centre trends to focus on now





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## Analysis







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# Successfully managing changing customer needs

Every industry currently faces uncertainty, disruption, and change. Consumers worry about geopolitical volatility, soaring prices, and potentially losing their jobs, all impacting their behaviour and the experience they want from companies.



90%

of customer service leaders surveyed by HubSpot say consumers have higher expectations than ever before No wonder that <u>90% of customer</u> service leaders surveyed by HubSpot say consumers have higher expectations than ever before – a figure that is likely to rise if the economy tips into recession. For contact centres, still getting to grips with a post-pandemic world, dealing with all of this turmoil may feel like yet another challenge to overcome.

But overcome it they must – fail to deliver on customer expectations and they'll vote with their wallets.

These expectations are not just higher, but in many cases fundamentally different to a few years ago. Consumers want a faster, more comprehensive service, across a widening range of channels, but often their values and behaviours have changed too.



They are digital-first and looking for brands that share their sense of purpose. And they'll judge service performance against top customer experience leaders, whatever sector the organisation is in.

#### How can companies transform their contact centres to thrive in this era of instability?

This report explains five key trends impacting customer service, outlining how technology can help drive success.

# Trend 1 Consumers want to be treated with true empathy

"Your customer doesn't care how much you know until they know how much you care." The words of customer service expert Damon Richards have never been truer.

As we saw in the pandemic, worried customers want to feel listened to and reassured – and this need is growing in the current downturn. <u>Recent research</u> found that increasing agent empathy has almost double the impact on customer satisfaction than reducing waiting times. And satisfied customers are 62% more likely to spend more, showing the positive financial impact that empathy delivers.

The importance of empathy doesn't mean you should abandon metrics such as Average Handling Time. Customers want their interaction to be dealt with quickly and efficiently – but increasingly that's a given. They want to build a human connection with the agent they're talking to. This pressing need for empathy is only going to increase. As self-service channels such as chatbots automate answering more basic questions, a higher proportion of calls will require the human touch.

So how do you deliver consistent, empathetic customer service? It all comes down to focusing on your agents. You must empower them with the skills, tools, time and coaching they need to listen and respond effectively.

Help them on the call with a seamless technology experience and immediate access to knowledge so that they can concentrate on building a rapport rather than wrestling with multiple systems or searching fruitlessly for information.



Satisfied customers are 62% more likely to spend more, showing the positive financial impact that empathy delivers



Improve their skills by analysing previous interactions and picking coachable moments that demonstrate best practice

Provide them with deeper understanding of what the customer is feeling through real-time speech analytics so they can react with immediate empathy and add a supervisor to the call if their support is needed.

Improve their skills by analysing previous interactions and picking coachable moments that demonstrate best practice and can be shared both individually and across the wider team. Score them on metrics beyond speed to encourage the development of empathy and to ensure consistently high-quality interactions. And use the insights that consumers give you through Voice of the Customer programmes to continually develop the wider experience so that it is built on empathy.

## Technology that helps agents act with empathy

#### **Quality Management**

Ensure consistent, high quality interactions through quality management solutions that enable you to record, analyse and act on every interaction, on every channel. Call recording systems allow supervisors to spot coachable moments, driving continuous improvement, all while providing a record of interactions for compliance and dispute resolution.

#### **Real-Time Speech Analytics**

Monitor levels of empathy in real-time and use these insights to help your agents and improve live conversations. <u>Real-time speech analytics enable you</u> to take the pulse of the conversation as it happens, focusing on the phrases used, stress levels, speech clarity, frequency of interruptions and more.

Supervisors can then make targeted interventions to support agents or to flag areas that need to be covered in the call.





5%

It is estimated that supervisors can only listen to 5% of all calls

#### Al-enabled evaluation delivers an impartial, comprehensive assessment by analysing 100% of interactions

#### Voice of the Customer (VoC)

Rather than simply relying on surveys to better understand your customers, analyse the conversations they have with you on every channel. Find out the 'why' behind satisfaction scores and <u>uncover and resolve issues before</u> <u>they impact your business</u>.

#### **AI-Enabled Agent Evaluation**

Manual evaluation of agent interactions is time-consuming, prone to bias and above all incomplete – it is estimated that supervisors can only listen to 5% of all calls for example. <u>Get a</u> <u>better picture of performance and</u> <u>highlight coachable moments</u> through Al-enabled agent evaluation that delivers an impartial, comprehensive assessment by analysing 100% of interactions.

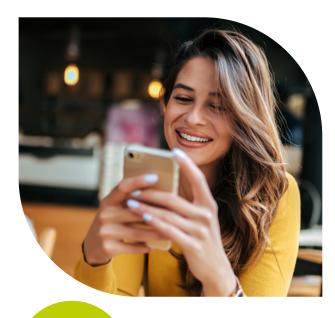
# Trend 2 Knowledge is central to customer service success



Why do customers call, email or message your contact centre? Because they have a problem that they want solving – fast. While this has always been the case the pandemic has accelerated three trends:

- Volumes of interactions are up dramatically by some accounts doubling over the past two years. <u>The</u> <u>ContactBabel Inner Circle Guide to Self-Service</u> found that most contact centres expect volumes to rise or stay static on every channel except letter and fax.
- The time they are willing to wait has dropped dramatically. 75% of companies want support within five minutes of requesting help according to McKinsey.
- The complexity of the questions they have to answer has increased exponentially.

75% of companies want support within 5 minutes of requesting help



91% of consumers would rather use self-service options if they are available Essentially, companies have to handle more interactions, more quickly, across more channels, requiring greater knowledge to answer them than ever before. Solving these interlinked challenges is vital and revolves around knowledge and delivering it in ways that meet customer needs.

First, the good news – customers are more and more willing to help themselves when it comes to answering basic questions. 91% of consumers would rather use self-service options if they are available. This means providing information that can be accessed quickly and easily via web self-service, mobile apps, chatbots and IVR.

However, for self-service to be adopted by customers it has be easy to find, easy-to-use, and give them the answers they need – or connect them with someone that can help. This is driving a greater focus on collecting and sharing knowledge, both to customers via self-service, and agents by connecting them with knowledge bases and their colleagues in back office roles.

Organisations therefore need to understand the needs of their different customer segments, ensure they have a strong, holistic knowledge management structure in place, make solutions easily accessible and manageable and keep them updated – particularly vital in today's fast-moving world.

## Technology that helps manage and deliver knowledge through self-service



#### **Self-Service**

Empower customers to help themselves through <u>easy-to-use self-service</u> <u>solutions</u> accessible via their channel of choice, whether chatbots, the web, apps or IVR. Backed by up-to-date knowledge and AI-based search capabilities, make the process seamless, valuing customer time, increasing satisfaction, and boosting efficiency.

#### **Knowledge Management**

Deliver relevant knowledge to the right people, at the right time, in the right format. Deploy a comprehensive knowledge base available to agents, customers, and the wider business. Ensure it is <u>easy to manage and</u> <u>update, delivering consistent answers</u>, whatever channel it is used on.

## Trend 3 Organisations have to do more with less

As organisations grapple with recession, higher costs and potentially lower revenues, the focus will be on strict budgeting and costs across the business.

As a department traditionally seen as a cost centre, customer service is clearly at risk – despite its importance to the business and the growing volumes of interactions it has to deal with. Forrester analyst Rick Parrish is clear,

"We anticipate that most CX programs will have to cut spending in at least some areas as economic turbulence continues."

Managing these cuts while still delighting customers means walking a tightrope. We've already seen that consumers expect more from brands, particularly when it comes to empathy from agents, and that interaction volumes are increasing. That means that simply reducing headcount in the contact centre is likely to be a false economy, impacting customer loyalty and potentially costing more than it saves.



Instead, contact centre managers need to look for smart solutions that reduce costs and boost efficiency while keeping customer satisfaction high.

The brands that succeed are those that put customer experience at their heart, so begin by deciding what you want your reputation to be with customers over the long-term. A good example is what happened in the airline industry during the COVID crisis. The majority of companies dramatically cut their employee numbers, meaning that when demand rapidly bounced back, they found themselves short-staffed and had to cancel flights, damaging reputation and revenues. In contrast, Ryanair kept on a higher proportion of its people, meaning it could take to the skies much quicker when conditions improved.

One big area to focus on is technology and automation. Switching to the cloud gives greater control over costs, while automating core processes increases efficiency and frees up more of your agents' time to have empathetic conversations with customers. And tighten your understanding and monitoring of expenditures, seeking out any areas where you can reduce costs through call accounting solutions.

Overall remember you need to relate what you are doing to wider business objectives to ensure buy-in and to preserve budgets. Don't be one of the 54% of CX teams that are unable to prove the ROI of their projects or, as Forrester states, <u>you'll be one of the</u> 20% of customer experience teams that disappear in the year ahead.





## Technology that helps improve efficiency without impacting service

## Contact Centre Automation and Workforce Management

Give agents access to the right technology to increase their efficiency, such as a unified desktop to avoid having to flick between different systems. Automate manual processes such as wrap-up activities and use Al to streamline operations. <u>Spot</u> opportunities to further improve through detailed analytics and use workforce management solutions to optimise staffing levels at all times.

#### **Cloud Contact Centre/CCaaS**

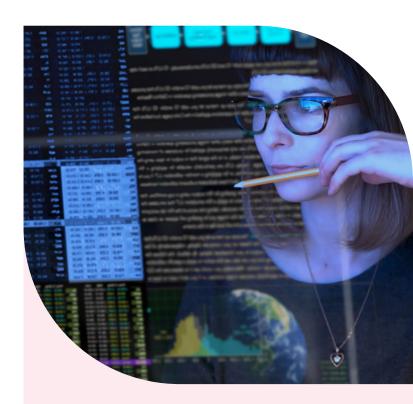
Reduce your operational costs and tap into new functionality by migrating your contact centre to the cloud. <u>This</u> <u>delivers greater flexibility and means</u> <u>you only pay for the services you use</u>, all while avoiding the expense of installing, maintaining, and managing on-premise servers.

## Contact Centre Integration with Microsoft Teams

Increase collaboration across the business and improve efficiency by integrating your contact centre with Microsoft Teams. Benefit from greater productivity, clearer communication, an improved experience, and seamless collaboration through features such as a unified interface, Voice over IP connectivity and real-time chat.

#### **Call Accounting**

Capture, record, and cost telephone usage events through call accounting software to gain visibility into usage – and control over spending. <u>Call</u> accounting software ensures costs can <u>be allocated more accurately</u>, while identifying and preventing fraud, billing errors and telephone misuse.



**25%** Al in its custor

Al in its customer engagement platform can boost operational efficiency by 25% within five years

## Trend 4 The rise of the conscious consumer

50% of consumers globally said the pandemic caused them to rethink their purpose and what is important to them, according to research from Accenture.

That is accelerating the rise of 'conscious consumers' who are driven by ethical, environmental, or political considerations when making buying decisions. They want to engage with brands that share their values and show similar commitments to the causes they hold dear.

As Jo Causon of the Institute of Customer Service points out, the number of conscious consumers is growing,

"More than 1 in 3 customers will place greater emphasis on an organisation's ethical practice, local relevance and treatment of its employees when making a purchase."



Responding to conscious consumerism is an opportunity, not a cost – 33% of UK adults said they were prepared to pay an average of 25% more for sustainable products and services.

Clearly, many businesses are focusing more closely on becoming greener, but how does this involve customer service? There are four ways that contact centres need to respond:

- Embrace the cloud to reduce your carbon footprint, replacing on-site servers that require significant amounts of electricity to power and cool them.
- Adopt hybrid working. This doesn't just give flexibility, but also helps to reduce emissions from on-site operations and from employee commuting.



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- Use digital channels where you can. Businesses can avoid the need for customers to visit branches through high quality video conferencing, again reducing travel emissions.
- Be ambassadors for change. Make sure your agents are fully up-to-speed about your sustainability efforts and are engaged in the process. That will help communicate the message effectively to customers.

Importantly, as well as customers, more aware consumers also make up an increasing part of your workforce. That means demonstrating that you are committed to becoming more sustainable will help you attract and retain your people moving forward.

## Technology that helps companies meet the needs of conscious consumers



#### **Cloud-based platform**

Switching to the cloud for your technology infrastructure reduces your carbon footprint through lower energy usage. Specialist cloud providers are masters of running data centres effectively, using minimal power, bringing down your carbon footprint. Added to this, in recent years all of the major cloud datacentre providers have made big commitments to switch to renewable energy sources, further boosting sustainability.

#### Microsoft Teams to Enable Hybrid Working

Microsoft Teams makes it easy for your people to work seamlessly and effectively from anywhere. By enabling hybrid working you can right size your office space, reducing heating, cooling, and power usage, while also minimising travel emissions from staff who no longer have to travel to work five days a week

#### Video Calling to Avoid Face-to-Face Meetings

By using video calling you eliminate the need for unnecessary face-to-face meetings, while increasing convenience. For example, rather than having to visit a bank branch to discuss a mortgage application, customers can hold the meeting through video, avoiding the need to travel while still delivering an unrivalled experience.

# Trend 5 Companies must focus on employee experience

As Customer Service Expert Shep Hyken points out, "A brand is defined by the customer's experience. The experience is delivered by the employees."

Fail to engage, motivate, and support your people, and they won't deliver the service experience that customers are looking for. And this will hit the bottom line – according to Gallup organisations with highly engaged employees are <u>11%</u> more profitable and twice as likely to retain staff compared to rivals.

Now, more than ever it is vital for companies to focus on the employee experience. Agents have always been the face of a brand, in many cases being the main person that a customer has contact with. This brings great responsibility, particularly with the growing need to deliver empathy and answers across a widening range of topics.





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#### Yet many companies don't provide their contact centre staff with an engaging, supportive working environment.

Work is often repetitive and involves following specific processes and procedures. Agents have to struggle with multiple, incompatible systems, and don't have easy access to knowledge. They are constantly monitored and judged on metrics such as Average Handling Time, rather than customer satisfaction, and face constantly increasing workloads. Often abusive customers use them as punchbags for their own worries and anger, adding to their stress levels.

The switch to hybrid working has had positive and negative effects – some employees like the flexibility, but equally many miss the support they get from colleagues in a physical contact centre or struggle with processes designed for a time when everyone was located in the same office. Change is required in order to protect the mental and physical wellbeing of the workforce as well as boost their motivation and job satisfaction.

As futurologist Dr Nicola Millard of BT so aptly points out, "We need to stop designing work around location and start designing it around people. We need to make the work work."

And, of course, in turbulent times agents are equally concerned about rising costs and potential layoffs. No wonder that more and more are leaving their jobs – nearly a quarter of contact centres experience attrition rates of 30% and above, according to the <u>ContactBabel UK Contact Centre</u> <u>Decision-Maker's Guide 2022</u>.



#### How can companies increase engagement and improve the employee experience? It comes down to four main factors:

- **Technology:** Supporting agents with the right technology experience that empowers them to seamlessly do their jobs.
- **Skills:** Providing the training to learn new skills, such as developing empathy or mastering new contact channels, delivered through a combination of coaching and training.
- **Process:** Putting in place the right processes that encourage agents to focus on the customer and their needs, rather than just hitting cost-based efficiency targets.
- **Culture:** Building a supportive, open culture with access to resources that help with wellbeing (such as hotlines or mindfulness courses).



In 2023 an improved employee experience won't just be a 'nice to have' – it will make the difference between customer service success and failure. Companies therefore need to take it seriously if they are to meet more demanding customer needs.



# Technology that supports a better employee experience

#### **Real-time Speech Analytics**

By automatically monitoring for triggers such as raised voices or long silences that indicate there is a problem, <u>real-time speech analytics</u> <u>solutions can alert supervisors who</u> <u>can step in to offer support</u>, lowering stress levels for agents and providing assistance to the customer.

#### **Quality Management**

Evaluating agent performance highlights more than just training opportunities. With evaluation data available instantly and building over time, <u>quality management solutions</u> <u>can also spot potential issues</u> that are impacting agent wellbeing. These can then be followed up by managers, helping to prevent them from developing into larger problems for the agent themselves.

#### **Remote/Hybrid Working**

Giving agents flexibility about where they work can help improve the employee experience and provide them with better work/life balance. <u>Supporting a hybrid</u> workplace requires cloud-based technology that offers the same seamless experience at home and in the office, backed up by the ability to easily communicate and collaborate with colleagues through tools such as Microsoft Teams.

#### **Knowledge Management**

One of the biggest frustrations for employees is not being able to quickly provide answers to customer queries. Searching for information while on a call causes delays which annoy customers and add to agent stress levels. <u>Providing</u> <u>fast access to a consistent, centralised</u> <u>knowledge base</u> that gives tailored information is therefore vital to both improve the agent experience and boost customer satisfaction.

## **Takeaways for leaders**

**Successful customer service requires multiple senior managers to work together.** To meet the trends outlined in this report and based on our experience, we recommend the following takeaways for each of them:



**Enghouse Interactive** has an enourmous depth of contact centre expertise that is continually enhanced by assisting and advising customers of all sizes and across all industries, all around the world. <u>Get in touch</u> to find out how we can help you with your priorities for 2023 and beyond.

#### **About Enghouse Interactive**

## We are the world's most reliable customer contact technology provider.

Our global brand is built on our track record of consistently honouring our commitments to our customers, our staff and our shareholders.

Enghouse Interactive, a subsidiary of Enghouse Systems Limited (TSX: ENGH) is a leading global provider of customer contact software and service solutions that deliver enhanced customer service and transform the contact centre from a cost centre into a powerful growth engine.

Our practices and solutions enable businesses to leverage meaningful, daily customer interactions to extract key insights used to deepen customer loyalty and uncover new opportunities to add value, profitably. Supporting over 10,000 customers, in 120+ countries, Enghouse Interactive works within any local regulatory environment and supports any telephony technology, whether cloud-based or deployed on-premises, ensuring that our customers can be reached by their customers – anytime, anywhere and via any channel.

Enghouse Interactive has an enormous depth of contact centre expertise that is continually enhanced by assisting and advising customers of all sizes and across all industries, all around the world. Get in touch to find out how we can help you with your priorities for 2023 and beyond.

Imperium Imperial Way Reading RG2 0TD call +44 (0) 20 3357 3040 visit enghouseinteractive.co.uk



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