

Top Five Contact Center Trends for 2013

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Executive Summary

Five key trends are reshaping customer-experience management:

- ✦ *Increasing adoption of mobile devices enables engagement with customers and business partners across a broad array of devices.*
- ✦ *Big Data and speech analytics delivers new insight into contact-center performance and allows companies to improve customer service experiences.*
- ✦ *Popularity of consumer social services such as Facebook and Twitter are emerging as a new interaction channel for customer engagement, providing new ways for buyers to learn and share information.*
- ✦ *Personalized, multimode self-service enables customers to choose how they interact with their vendors; through mobile, Web, phone, or custom app interfaces.*
- ✦ *New browser-based technologies broaden the ability to deliver rich media interaction to any user on any device without the need for custom software.*

Taken together, these trends underscore a need for those responsible for contact centers to proactively prepare for a rapidly changing environment.

The Issue

Customer engagement management is going through a rapid transformation, led by an explosion in the ways companies interact with their customers, and based on an emerging paradigm that enables consumers to choose the means of interaction that best suits them for a given inquiry. The rise of consumer mobile devices, social media, and the coming of browser-based rich media capabilities create a growing challenge for customer service and customer engagement professionals: How to transform “contact centers” into platforms that can support a seamless customer experience

spanning phone, Web, mobile device, via text, voice, video, and social media. Those that are able to seamlessly extend and integrate customer engagement across a variety of channels, devices, and media will improve customer experiences, open access to customers through new devices and services, and more rapidly respond to opportunities and challenges, thus gaining competitive advantage versus those who fail to adapt to this rapid change.

Consumer Mobility

Gone are the days when consumers only interacted with companies via personal visits to stores or other facilities, or by picking up the phone. Now, in the age of smart phones and tablets, consumers, especially among younger generations, demand the ability to engage with everyone from retailers, to physicians, to financial institutions from their mobile device. Customers increasingly buy goods ranging from pizza to music all with a few touches or swipes on their mobile phone. And the move to mobility is extending into the enterprise, where per-employee spending on mobility rose from \$253 to \$487 in the last year, an increase of 193% (versus just a 4% overall rise in IT spending). That trend will continue in 2013 as 66% of companies plan to increase mobility spend (Please see Figure 1).

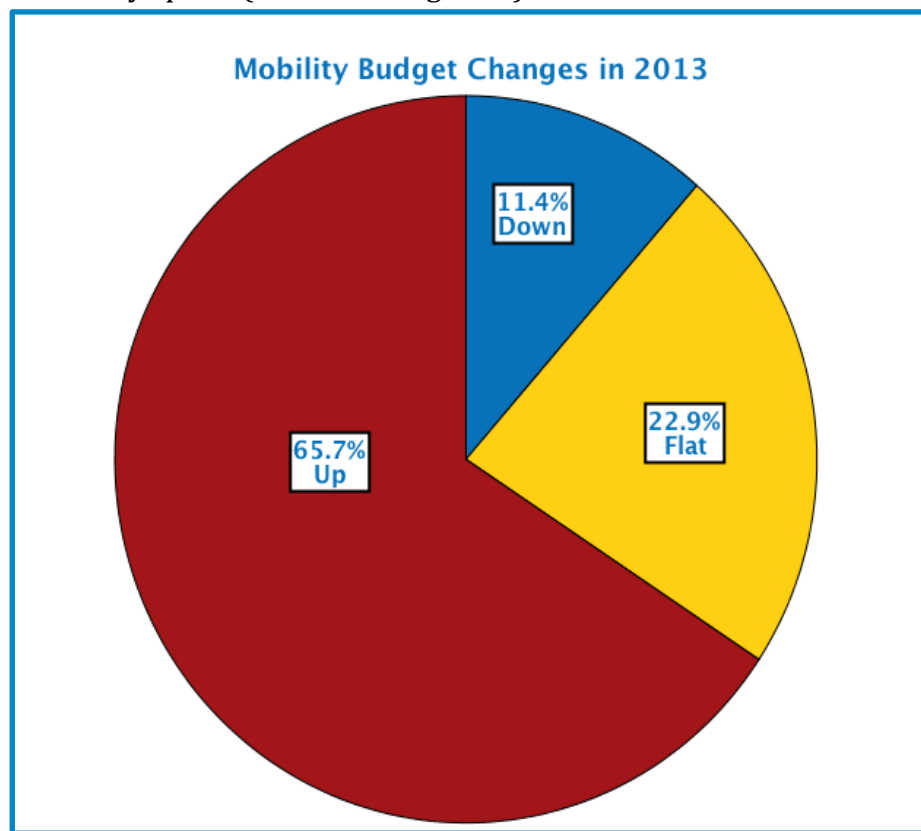


Figure 1: Mobility Budget Change in 2013

With the rise of both consumer and enterprise mobility comes tremendous opportunity for customer service managers to differentiate their companies via a superior mobile experience and to leverage mobile capabilities, such as GPS and micro-marketing, to customize users' experience based on their location, purchasing history, interest, and even type of device. Furthermore, contact-center supervisors can leverage mobile tools to stay engaged in critical customer-service issues, regardless of their personal locations.

Consider the example of an irate customer of a large financial organization phoning the contact center to complain about a problem with his or her account. The first-level agent, unable to address the customer's concern, sends a text to his supervisor to inform her of the urgent call. The supervisor, away from her desk, receives the text, opens up a mobile contact center management application, and joins the call to address the customer issue in a timely fashion. Without mobile access to supervisors, the agent simply would have taken a message and required the supervisor to call back the customer, adding to the customer's level of frustration and lower satisfaction.

Effectively addressing opportunities afforded by mobile devices requires a comprehensive strategy that encompasses:

- ⊕ Investments in customer engagement platforms that support a wide variety of mobile operating systems and devices
- ⊕ Harmonization of mobile and traditional customer-service channels to ensure a consistent experience no matter where, or from what computing device a customer is interacting with the organization
- ⊕ The ability to adapt to rapid change as new devices and operating systems enter the market, or consumer preferences change
- ⊕ Investing in mobile capabilities "within" the customer contact center to ensure that agents and higher level support staff are connected regardless of location
- ⊕ Investing in analytics that enable rapid measurement of the effectiveness of mobile communications.

Big Data and Analytics

Nemertes defines "Big Data" as the ability to rapidly analyze large amounts of data in near real-time. Nearly 30% of organizations have initiated Big Data projects, and another 5.6% expect to by the end of 2013. (Please see Figure 2.) The top driver, cited by 42% of organizations implementing Big Data, is the need to analyze information about internal processes and data. Initiatives facing out toward customers come in second, though, driving 33% of projects now and promising to drive more later. (Please see Figure 3.)

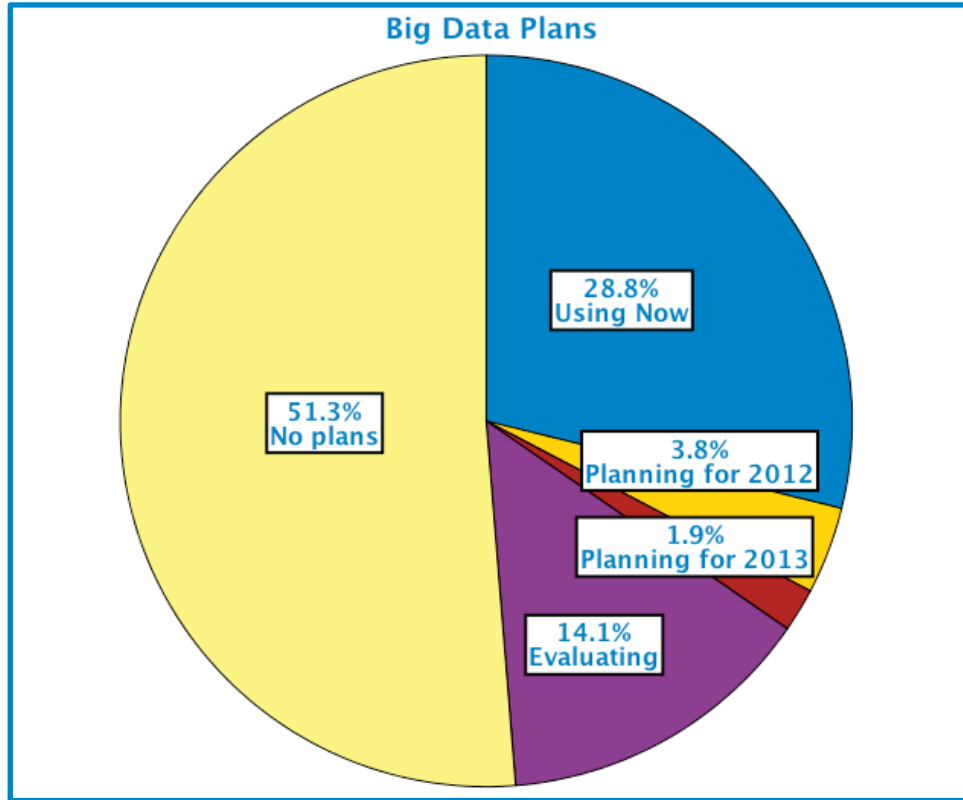


Figure 2: Big Data Plans

Examples of customer-facing Big Data analytics include using voice analytics to uncover trends around performance of customer agents. For instance, customer engagement managers could monitor the amount of laughter during a typical call as a measure of the level of ire of calls, or the overall call quality (when call quality is poor, callers and called parties tend to get to the point of the discussion more quickly than when there are no call quality issues). At the same time, managers can monitor for specific keywords, or periods of silence during a call, to look for trends that they can then report to business process or operations managers for follow-up action.

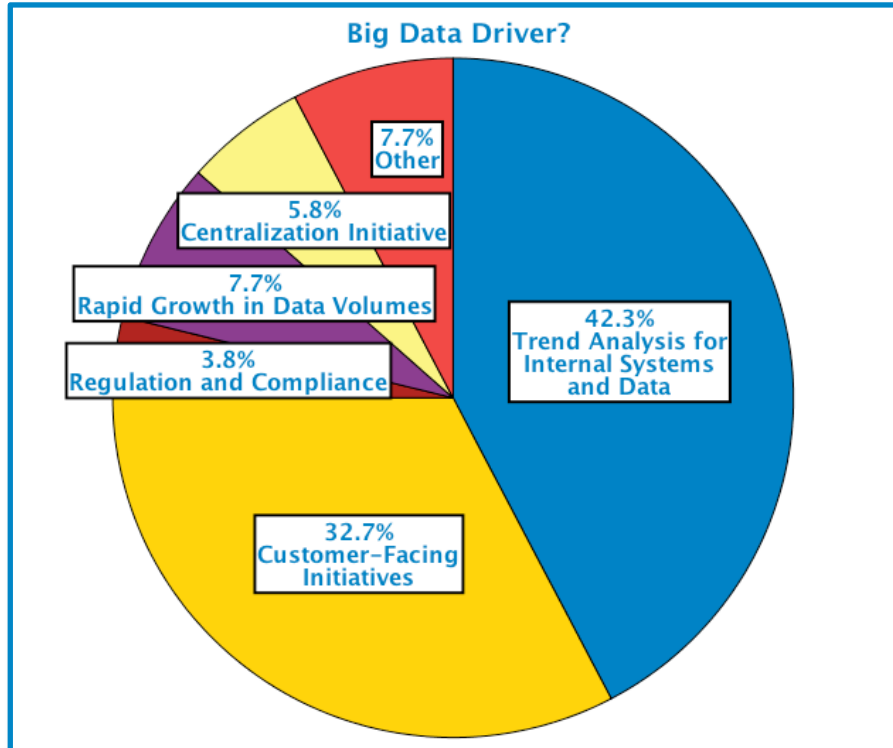


Figure 3: Big Data Drivers

Beyond speech analytics, companies may use data analysis to feed information such as call topics, most popular IVR responses, or even requests for call-backs on specific topics to product-marketing managers to provide near real-time insight into what customers want. This enables rapid responses via targeting marketing campaigns aimed at addressing specific, identifiable customer needs. For instance, if a clothing retailer runs a new ad campaign, marketing managers can instantly obtain call volume information from the contact center related to the campaign, as well as a summary of the specific topics of individual calls. They can see how call trends change as they tweak their campaigns, again in near real-time. Thus, the capability to leverage Big Data analytics in the contact center have a competitive advantage over those who do not.

Social Business

Social media, such Twitter and Facebook, are becoming increasingly relevant to businesses, as customers use such outlets to share information with friends, publicly complain, compliment, and/or comment on goods and services, or simply obtain information about a company and its offerings. Social monitoring helps with branding and marketing and can help detect quality control or customer-care problems that may have gone undetected.

Most organizations begin their social engagement in their marketing groups, manually scanning Twitter feeds or e-mails from social monitoring services to stay on top of

brand mentions and respond to posts. Often lacking tools for managing and providing metrics for engagement, marketing groups are ill equipped to scale or to provide any kind of analytics that track speed of response, types of messages, or progress of escalated inquiries.

Contact center platforms, meanwhile, are optimized to manage and report on customer engagement and thus provide a natural vehicle for companies to stay on top of social-media engagement. Many contact-center platform vendors have added support for social-media monitoring, often working with third-party services that capture mentions across a variety of platforms; feeding those meeting a certain criteria (e.g. number of Twitter followers, Klout score, etc.) into the contact-center platform for processing.

About 18% of companies have adopted social-media monitoring in the contact center. (Please see Figure 4.) But adoption will grow as contact-center vendors improve their offerings, and companies embrace the contact center as the logical hub for social media monitoring and engagement.

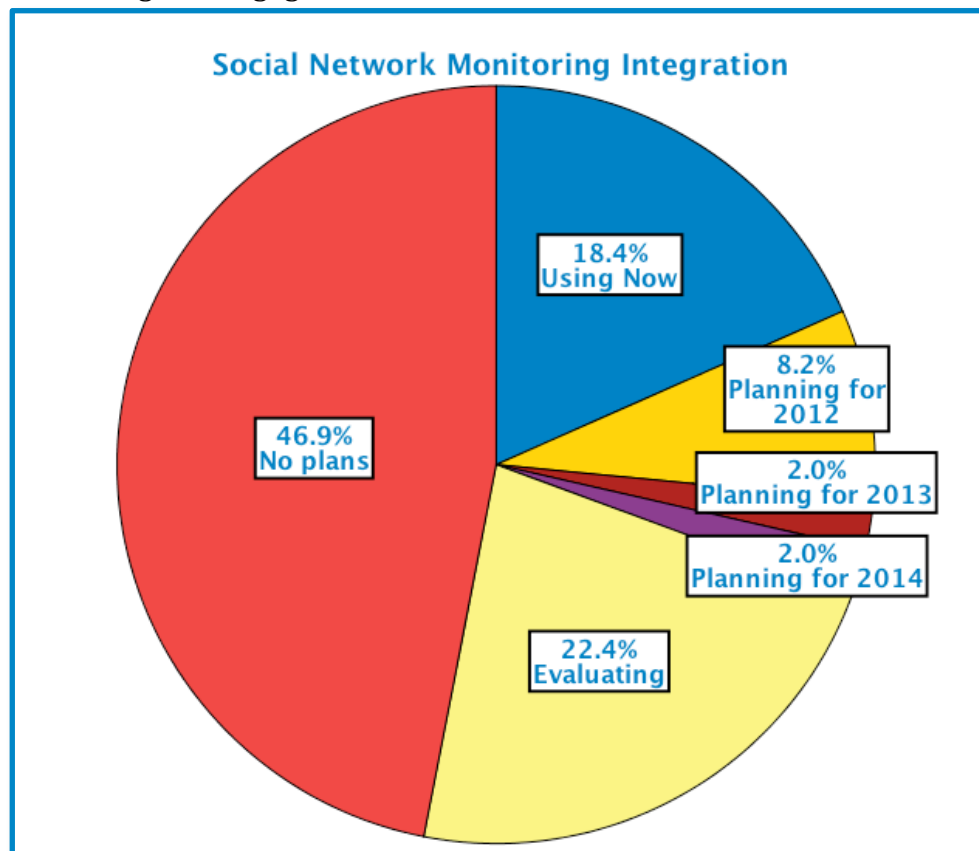


Figure 4: Social Network Monitoring / Contact Center Integration

Multimode and Self-Service

Multimode contact centers allow customers or prospects to interact with agents using a variety of different channels—not just the telephone. Examples include video, e-mail, web chat, and SMS. Companies can provide flexibility in their customer engagement by offering a variety of interaction options, and allowing customers to select what works best for them. Organizations can also improve customer service, and reduce costs by delivering self-service capabilities that allow customers to receive support without having to speak directly to an agent. Examples include checking account balances, order status, or obtaining documentation.

Already, 28% of companies use multimode contact centers, and another 44% are planning to use them or are evaluating them (Please see Figure 5.) These contact centers offer capabilities such as text, Web chat, video and/or email. That's up from 52% in 2011, indicating rapidly growing interest in expanded customer service channels. Those who have already adopted multimode contact centers rate their overall contact center success higher than those that haven't adopted it (4.5 on a 1-to-5 scale for those who've adopted versus 3.5 for those who haven't). Self-service adds another facet to multimode, integration with web or mobile applications, IVR systems, text and e-mail capabilities to provide yet another channel for customers to fulfill their support needs.

The key challenge in building a successful multimode and self-service contact center is integration among various channels. Customers sending an e-mail and not receiving a sufficient response shouldn't have to repeat their entire inquiry if they place a call to the contact center. Instead, the agent answering the call should have easy access to all other interactions. Integration of channels into a common contact center platform also enables easy movement between channels. For example, consider a customer chatting with an agent via a text box who decides he'd like to talk to a live person. In a non-integrated system, he ends the chat and places a call, potentially reaching a different agent who has no insight into the previous chat-based discussion. In an environment where the chat system is integrated into the same platform that handles calls, the agent handling the chat could simply click to call directly to the customer and continue the existing conversation.

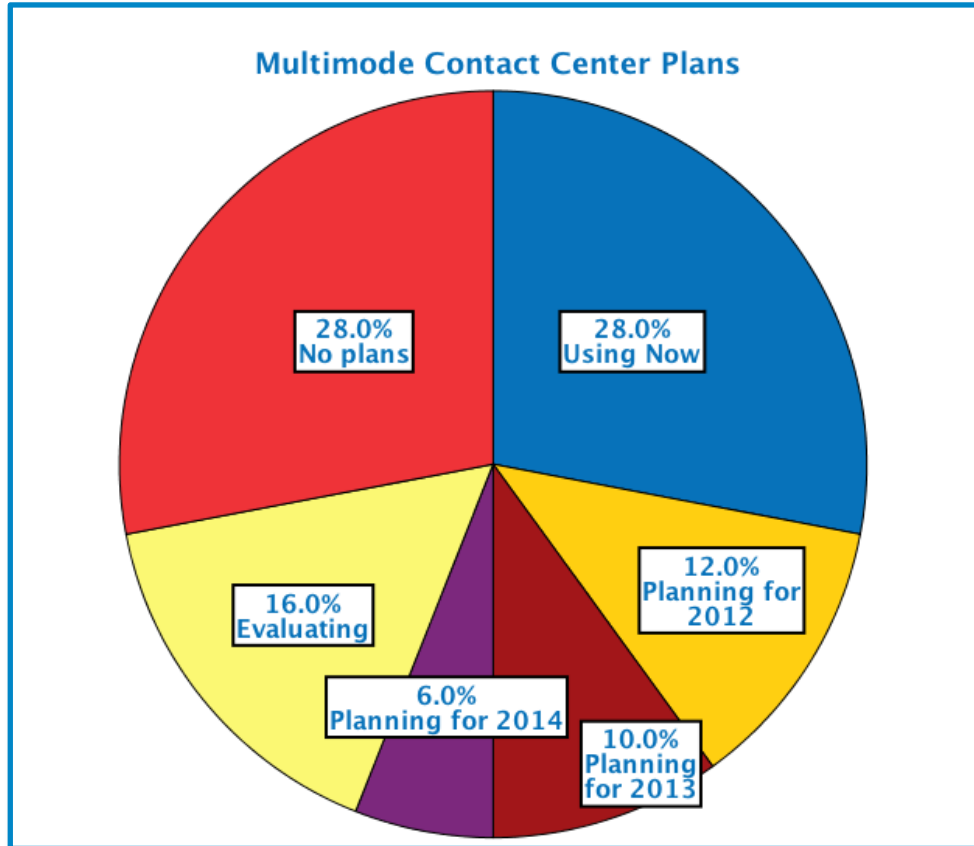


Figure 5: Multimode Contact Center Plans

The Rich-Media Browser

The introduction of WebRTC (Web Real Time Communication)-based products and development platforms opens up an exciting new means of customer interaction. WebRTC equips a Web browser on both mobile and desktop devices with the capability to act as a voice or video end-point, without the need for a plug-in or dedicated software. Customers visiting a Web site using a WebRTC-capable browser simply “click-to-call” when they have a question and reach a contact center agent via voice or video without ever having to pick up the phone or leave the Web page they are browsing. The agent receiving the call can see exactly what the customer is viewing, and could potentially create a co-browsing sessions where the agent directs the customer to other Web pages that provide information the customer is seeking. Additionally, an agent could send media such as podcasts or streaming video to the customer’s device, providing yet another means of delivering information.

WebRTC is still in its infancy, but those that take advantage of the ability to extend interactive voice and video directly to a customer’s Web browser will gain significant competitive advantage versus those who still require the customer to place a call to a traditional call center that lacks insight into the customer’s browsing history by

providing faster response, and an integrated customer service experience that integrates web and rich media.

Conclusion and Recommendations

The customer contact center is going through a rapid transformation as a result of the rise of mobility, new ways to gather and analyze data, social collaboration, multi-channel engagement, and the ability to extend interactive voice and video directly into a browser. Customer-engagement and contact-center managers should:

- ⊕ Carefully evaluate each of these trends to ensure they are following a clear roadmap that integrates new communication channels into a consistent platform
- ⊕ Extend contact centers to monitor and engage with customers on social media
- ⊕ Provide a seamless customer experience across phone, mobile, social and web, providing customers with the flexibility to utilize channels that work best for them
- ⊕ Deliver real-time decision-making support directly to business managers
- ⊕ Plan for the ability to conduct rich-media sessions directly through mobile and desktop web browsers

Those who deliver a unified customer experience, and who are able to use data analytics to improve customer interactions will improve sales, retain customers, and reduce costs versus those who continue to operate separate channels and who are unable to glean actionable intelligence from their customer engagements.

About Nemertes Research: Nemertes Research is a research-advisory and strategic-consulting firm that specializes in analyzing and quantifying the business value of emerging technologies. You can learn more about Nemertes Research at our Website, www.nemertes.com, or contact us directly at research@nemertes.com.