Key findings from the 2016 Contact Center Benchmarking Report

March 16, 2017

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About the **2016 Report**

6 chapters,
700+ data points,
80+ result charts

1320 companies from **81** countries globally contributed to this year's research

Analysis with **context** and **recommendations** on best practices

16 new questions and existing survey expanded to include **digital**

25 country/regional highlights summary reports

New for 2016 **bespoke report** builder via new website

What's covered?

CX strategy and innovation

- contact channels
- center maturity
- market trends
- financial positioning
- location planning
- strategic performance
- innovation

Contact center operations

- customer satisfaction
- contact quality
- management information
- contact statistics
- contact resolution
- performance management

Customer Analytics

- customer segmentation
- single view of customer
- customer intelligence
- service determinants
- process re-engineering
- internal SLAs

Workforce optimization

- staffing models
- training
- competency management
- employee engagement
- human resources
- workforce management

Digital services

- self-service capability
- self-service priorities
- customer behaviors
- contact statistics
- process reviews
- channel development

- contact center deployments
- application functionality
- service management

The big picture…

CX transformation: evolution of the contact center

1990s

Call

Replacing
face to face
Provide improved
customer access

Telephone-primed CX

Digital-primed CX

CX transformation: evolution of the contact center

Channel migration
for **cost reduction**
Broadening
channel access

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Multichannel

Part of a **multichannel experience**

Supporting **other channels** - not always first choice

Focused on resolving user issues **'in-channel'**

Providing assisted support for **integrated** digital channels

Omnichannel

2016 – 2018

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2016 – 2018
Omnichannel
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2016-2020s
Personalization & proactive CX
Digital analytics
Technology enablement

Telephone-primed CX

Digital-primed CX


The detail…

CX recognized as a clear differentiator:

it’s dominating the service revolution as organizations go beyond….go digital or die

83% recognize CX as a competitive differentiator

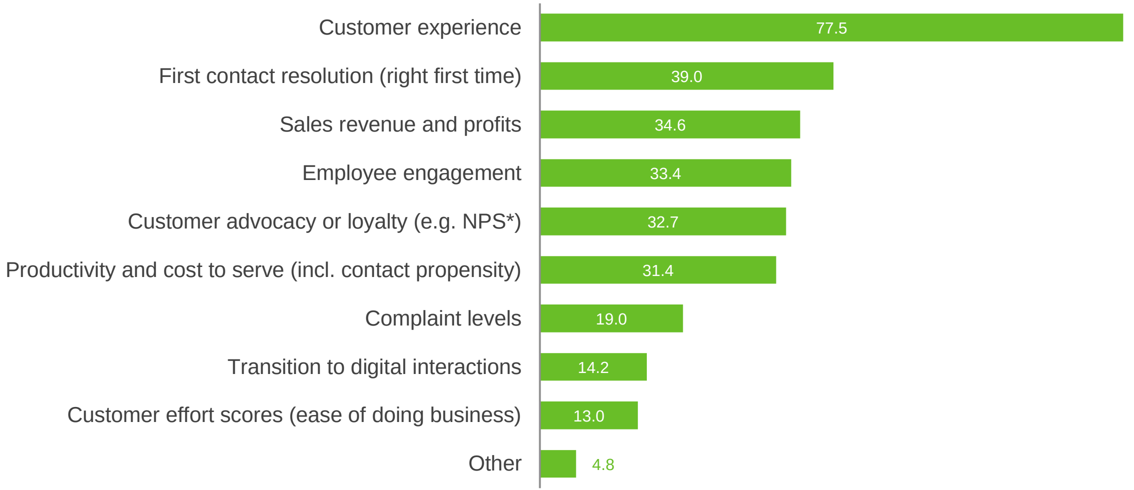
That’s a rise of 30% since 2012

78% recognize CX as the most important board level/exco strategic performance measure

77% can evidence cost saving benefits via improved CX; 74% say it increases company profits/revenues

SOURCE: 2016 Global Contact Center Benchmarking Report

Most important strategic performance measures



CX again top strategic indicator of performance

Focus on costs drops to 6th spot as organizations buy-in to benefits of CX

What are the top three most important strategic performance measurements according to your company's board/executive team?

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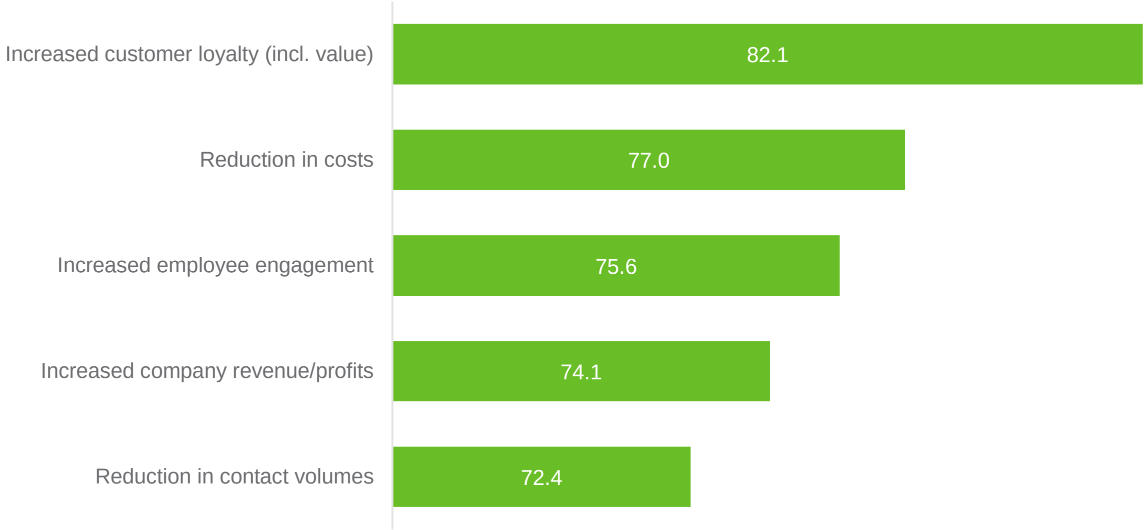
*Net Promoter, NPS and Net Promoter Score are trademarks of Satmetrix Systems Inc., Bain & Company and Fred Reichheld

Improved customer experience: benefits



Over ¾ can evidence cost savings from improved CX

76% say it promotes employee engagement

What business benefits can your center evidence as a result of an improving customer experience capability?

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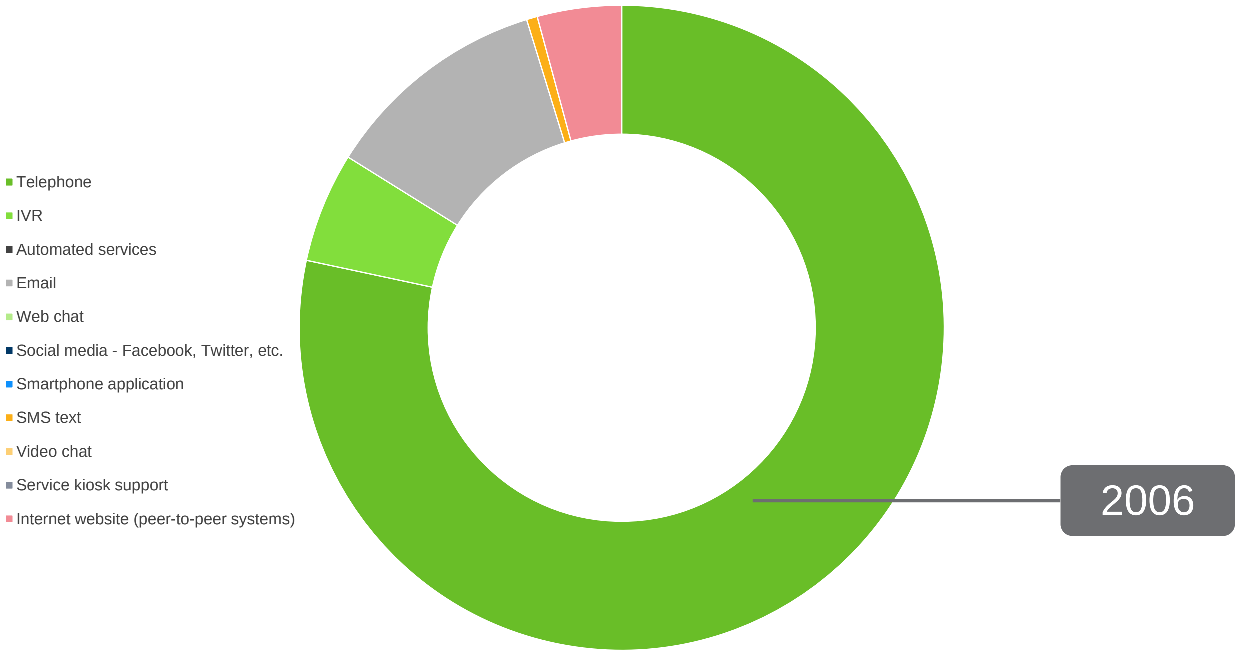
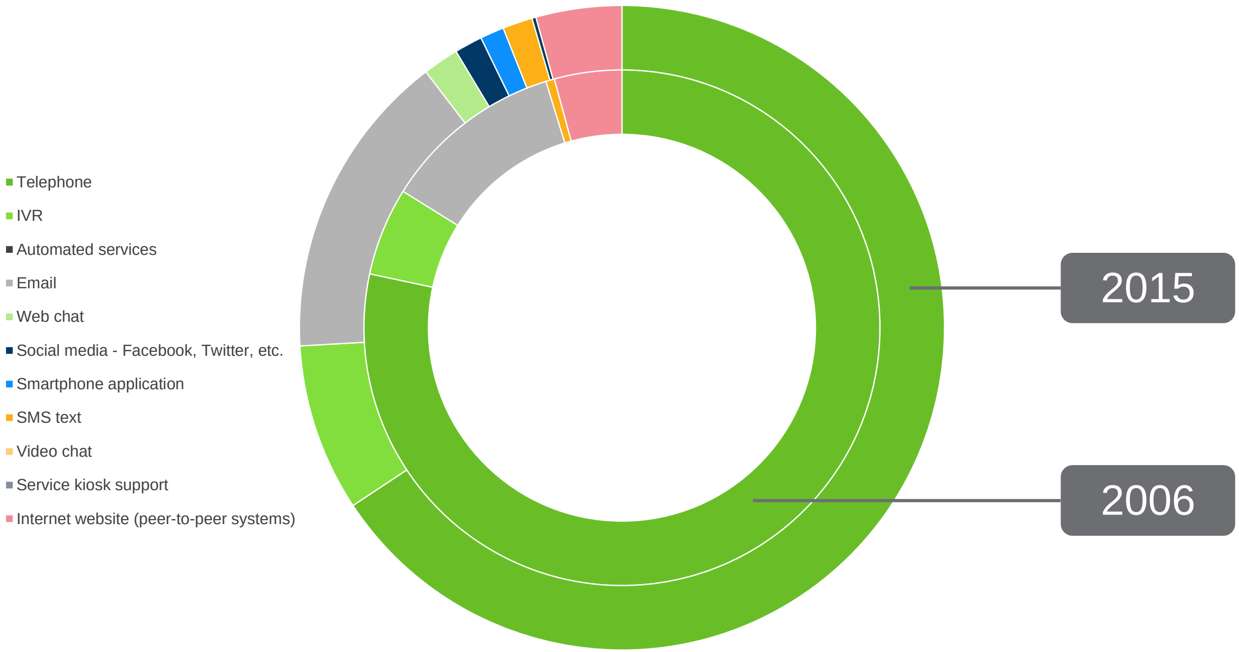
The digital progression…



The digital revolution continues

Today, *digital interactions* account for over **42% of all interactions** and are on track to **overtake *voice* by end of the year**

The digital progression…



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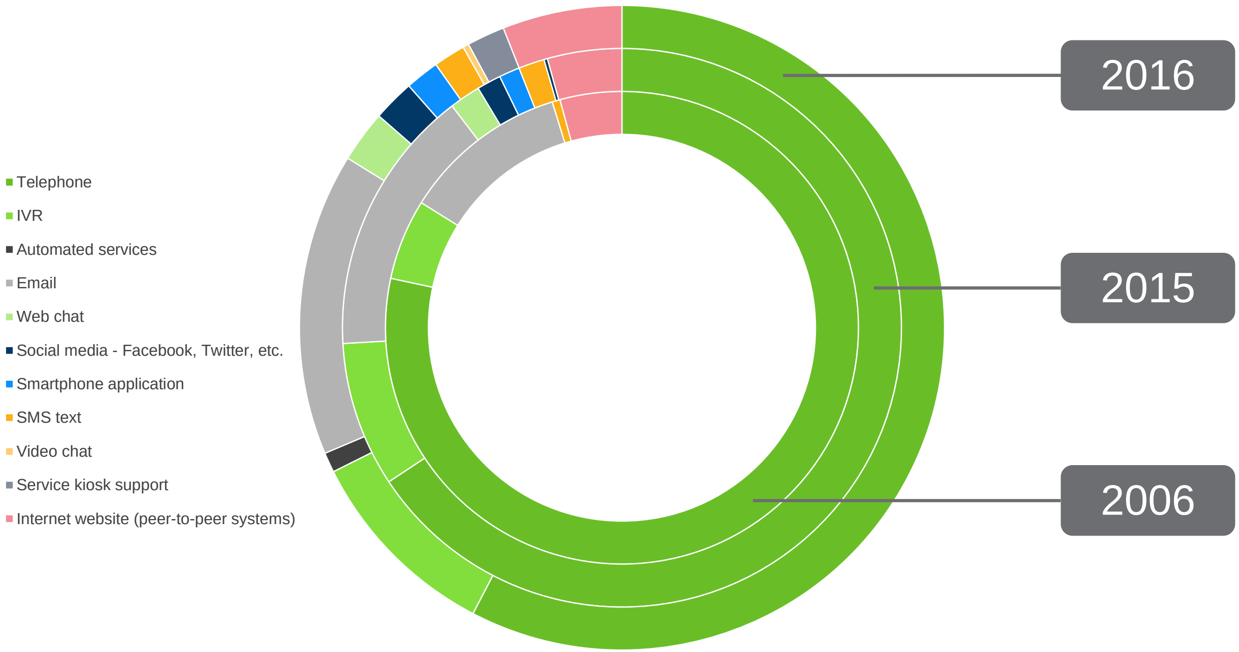

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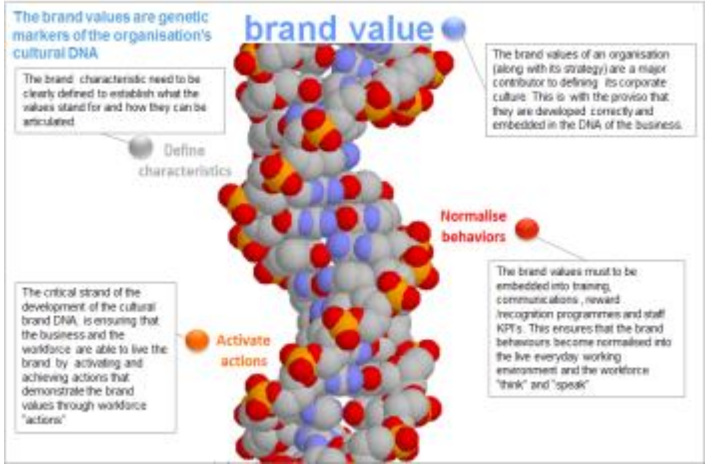
Step 1 - Gain aligned understanding of why CX is valued

Employee engagement and research to understand customer centricity and CX understanding

Definition of Business vision, mission & values . Identify drivers / inhibitors to ensure alignment and suitability of the Guiding Principles Framework

Guiding Principle	
Endearingly Simple	Keep IVR interaction levels to a minimum Get the customer to a CSR as soon as possible Keep queuing to a minimum Deal with issues quickly and first time
Personal and Local	Language and dialect compatibility Customer segmentation (premium/geographic) Escalate at the point where higher skill or knowledge is required for best outcome for customer Promote products
Empowering	Empower CSRs to empower customers – education of self-care. Ensure CSRs have the knowledge to help customers TMs to coach and develop employees Devolved HR and Training function
Innovative and Restless	Design closed loop feedback of customer and CSR feedback to enable iterative improvements Bring the brand to life

Business, Employee & Customer research



Clearly define the **brand values** and cultural **DNA markers** of the organisation

Develop tailored **Customer Research** interventions, to establish expectation vs experience

Connecting the customer journey….by design:

Seamless CX across an increasing number of channels has driven demand on contact centers to create a unified experience

Omnichannel top trend for 2016

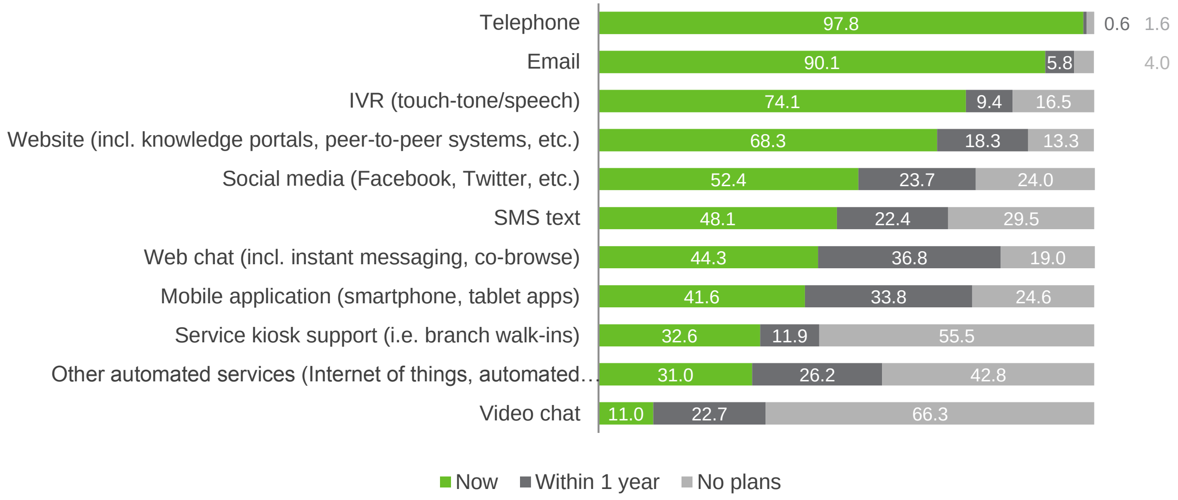
Full channel integration levels set to treble from 22.4% to 74.6% in next two years

Connected customer journeys and ease of resolution now top focus as most centers look to offer 9 or more channel offerings

Customer journey mapping emerging as a top 5 year trend alongside analytics that will re-shape industry. For now just 17% can locate problem hotspots

SOURCE: 2016 Global Contact Center Benchmarking Report

Services supported by contact center



Average of 9 channels for most by 2017

Mobile app offerings up 61%
Automated services emerging as dark horse game changer

What services can your contact center support, now and in the future?

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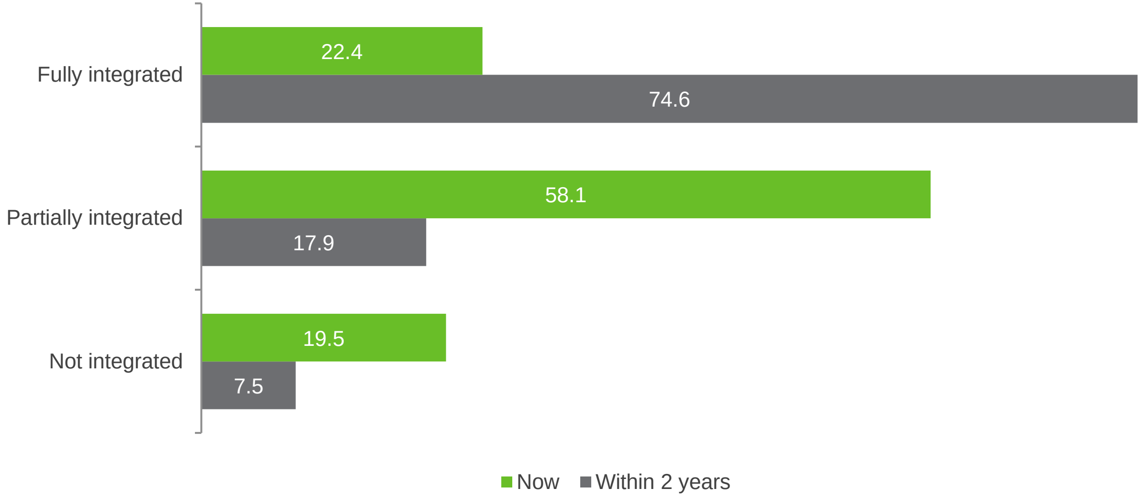
Omnichannel integration



Over 1/5 design connected capability now

On horizon for 52%
Clear focus on progression towards full channel integration

Which of the following best describes the level of integration across your service channels?

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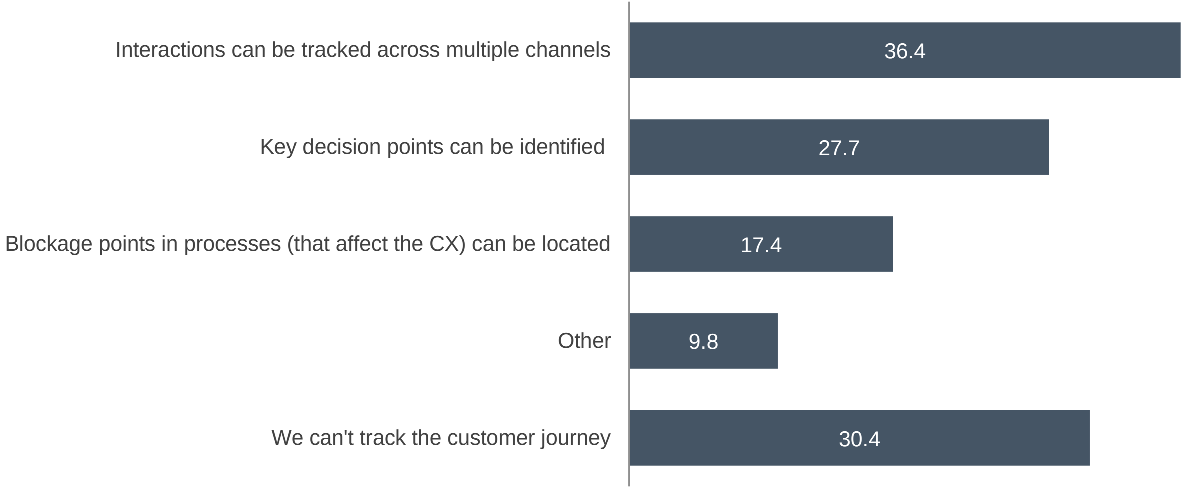
Tracking customer journeys



Just 36% can track a customer journey that spans multiple channels

Just 17% can locate problem hot spots that impact CX

How well can you track the customer journey across your service channels?

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Reasons for offering self-/assisted-services

	Percentage
Improve customer experience	73.7
Cost reduction	67.9
Customer appetite for digital	55.9
Part of an omnichannel strategy (creating seamless customer journeys across channels)	45.5
Extends service coverage hours	45.4
Improve sales opportunity/revenue generation	24.1
Improve employee engagement	19.5
Other	5.3

CX now top factor driving digital channel presence

Cost pressures lessen on past years results

What are your main reasons for offering self-/assisted-service channels?

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Digital interactions dominate:

Digital volumes handled by contact centers on track to exceed phone by end of 2016

Growth in almost every digital channel, contrasts with 12% shrinkage of phone in split of interactions handled by contact center

CX now top reason for offering self-/assisted-service channels (ahead of cost)

But 2 in 3 say digital tech not meeting business needs

SOURCE: 2016 Global Contact Center Benchmarking Report

Analytics and service personalization:

The power of data analytics helping organizations to offer an enhanced choice tailored to the customer to deliver a more personalized CX

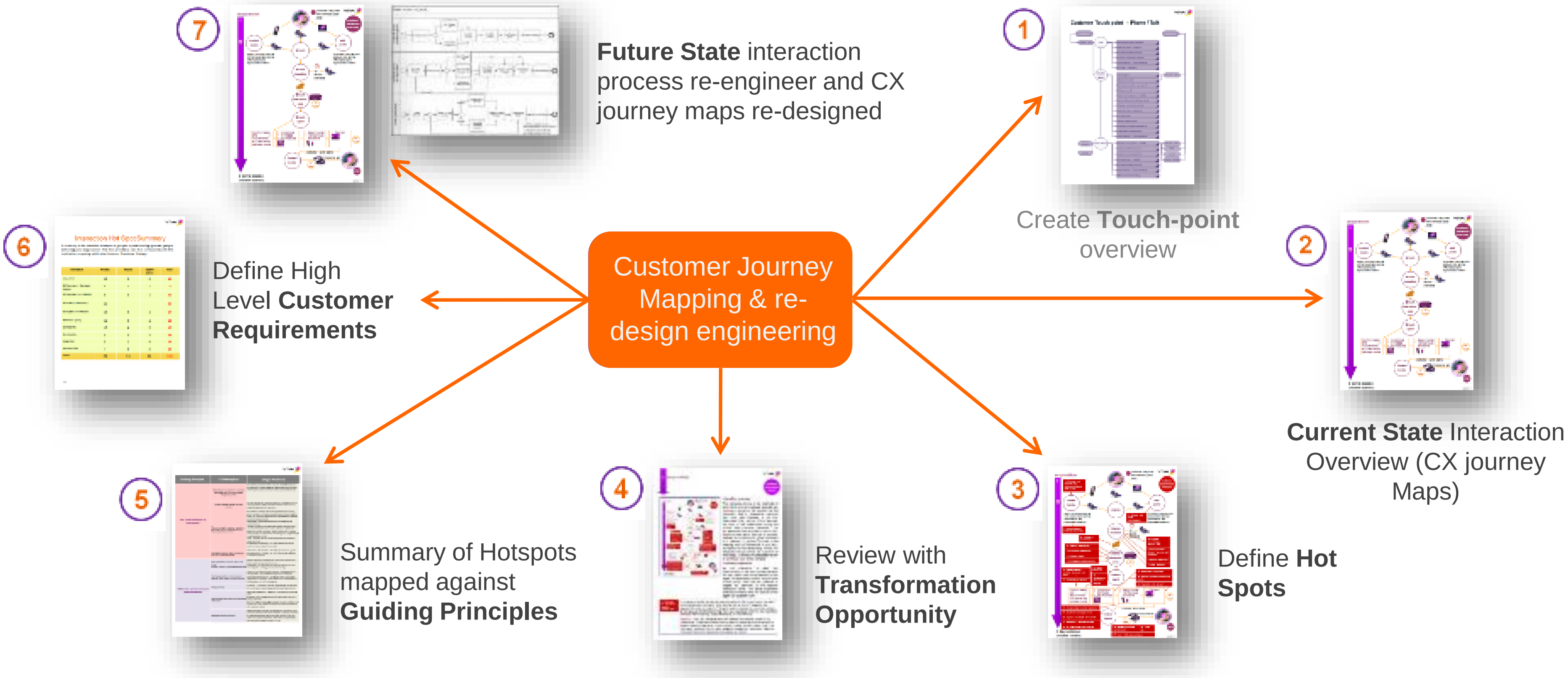
Personalization of services will be key and enabled by analytics – voted top trend that will change the industry in next 5 years

Yet, 79% still have no big picture view of interactions across service channels

Number pre-identifying and segmenting customers has increased for 3rd consecutive year; channel prioritisation and customer groupings top methods in play

SOURCE: 2016 Global Contact Center Benchmarking Report

Develop customer-focused journeys first and then align people, process, and technology in support of CX goals



Cloud and hybrid solutions:

Cloud in some form no longer a discussion. 61% plan to locate tech in cloud.

61% plan to locate their technology in the cloud

30% leaning towards hybrid cloud; 23% a private cloud and 8% a shared/public cloud solution

In future, just 23% will own and retain technology on premise

SOURCE: 2016 Global Contact Center Benchmarking Report

Popularity of channel type by age group

	Percentage of centers that do track channel popularity by age profile									
% of N	Under 25 years		Between 25 and 34 years		Between 35 and 54 years		Between 55 and 70 years		Over 70 years	
Social media	1st	38.9	5th	13.7	5th	2.2	6th	0.6	5th	0.4
Mobile application	2nd	27.2	2nd	23.7	3rd	6.3	5th	0.8	4th	0.5
Email	3rd	12.2	1st	26.8	2nd	32.7	2nd	8.8	3rd	0.8
Telephone	4th	11.5	3rd	18.4	1st	51.7	1st	87.0	1st	93.2
Web chat	5th	9.4	4th	16.5	3rd	6.3	4th	1.1	6th	0.3
Other	6th	0.7	6th	0.9	6th	0.9	3rd	1.7	2nd	4.7

Which contact channel is most popular with the following age groups?

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Mobile a top 3 choice for everyone <55

Social media top for those under 25; phone still preference for 35> (it's not going away anytime soon)

Top technology trends (Customer-driven)

Percentage	2015	2016
Omnichannel (frictionless movement between channels)	2	1
Technology consolidation/integration	2	2
Migration of traffic from voice to digital	1	3
Analytics (incl. big data)	Not asked	4
High service availability/business continuity	7	5
System and data security	8	6
Alternative technology models (hosted, cloud, pay-as-you-use, etc.)	5	7
Proactive outbound	Not asked	8
Other	11	9
Voice biometrics	10	10
Video communications	9	11
Sentiment/emotion technologies	Not asked	12

Omnichannel the top priority

Analytics top business focus, but rated fourth priority for tech teams

What are the top three technology trends as prioritised by your contact center?

n | 983

Major strategic shift changing the way the business interacts with the customer is a priority

Accelerate transformation Respond rapidly to meet business demands and changing market requirements

Control cost Reduce operating and capital costs while maintaining or improving performance

Mitigate risk Maintain fail proof, secure, responsive systems to run and manage the business

Business challenges

Balance the drag of the legacy infrastructure with the adoption of new technologies

Create **vendor relationships** to offset skills shortfall: modern infrastructure

Move to 'as-a-service' Nimble infrastructure that enables quick response to change

Operational efficiency Restaff and/or refocus staff to bring skills to enable the business

Challenges of technology systems

Percentage	2016
Integrating multiple technology systems	61.0
Legacy systems inhibit flexibility/progress (but can't be replaced)	46.9
Stretch on resources (too many competing priorities	37.8
Securing budget/cost burdens	37.6
No common strategy (solutions created in silos)	28.7
Lack of required technologies	27.7
Speed of change – technology can't keep up with requirements	27.0
Management of multiple projects/completion of implementations (lesson learned, post install reviews)	21.2
Maintaining big data view across organization	15.0
Inability to define positive business case/evidence ROI	14.0
Other	7.4

What are the most common challenges faced as a result of your contact center technology systems?

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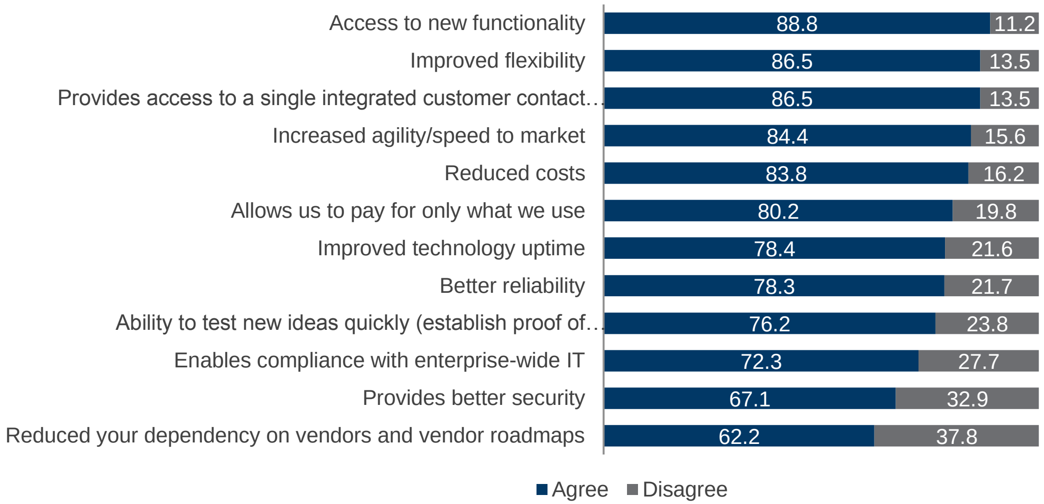
Integration is the top inhibitor to improving technology systems

Legacy infrastructure challenges are up by 23% and up from 5th to 2nd ranked issue

Impact of hosted/cloud technologies on the business



87% of existing users highlight it provides access to a single integrated customer platform

89% says it enables access to new functionality

Users expressing an opinion: How has the use of hosted/cloud technologies affected your contact center?

n | 370

Key Takeaway – Focus on the business outcomes and establish KPI’s to measure them

Customer Benefits

1. **Convenience, Ease of Use, Reduced effort**
2. **Accessibility and Freedom of Choice**
3. **Lifestyle Integration**
4. **Brand Confidence and Trust**

Business Benefits

1. **Customer Acquisition**
   Locate, qualify, secure new customers
2. **Customer Retention**
   Exceed customers expectations, increase customer lifetime value (CLV)
3. **Operational Efficiency**
   Increase output and productivity, do more with same or less
4. **Cost Reduction**
   Reduce cost, avoid cost, increase profitability

Retail Client Case Study

- CX Optimization
- Find and unlock business value through CX IVR enhancements before Black Friday
- 4 week engagement
- CRM Integration, Proactive Messaging, Usability Improvements, IVR to Text Message Feature
- 3 week ROI – Cost Reduction of $35k per day during peak shopping season ($800k+ cost reduction since implementation)

Thank You!

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Managing Solutions Architect

Shane Roberts
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Principal Consultant

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