

# Navigating Change

5 Key Contact Center Trends to Consider as We Move Into 2024

Getting Up To Speed - an Enghouse Interactive eBook

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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.



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No wonder that 90% of customer 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 centers, still adjusting to a post-pandemic world, dealing with 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 faster, more comprehensive service, across a widening range of channels.



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, no matter the sector the organization is in.

# How can companies transform their contact centers 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 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 continues to grow.

Recent research 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.



62%

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



Improve their skills by analyzing previous interactions and picking coaching moments that demonstrate best practices

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 agent skills by analyzing previous interactions and high-lighting moments that demonstrate best practices, and that 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 programs to continually improve the experiences delivered, so that you built in empathy.

## Use technology that helps agents act with empathy

#### **Quality Management**

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

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

Monitor empathy in real-time and use these insights to help your agents to improve live conversations.

Real-time speech analytics enable you to take the pulse of the conversation as it happens, focusing on the phrases used, stress levels, speech clarity, frequency of agent or customer interruptions and more.

Supervisors can then make targeted interventions to support agents or flag issues that need to be improved.





5%

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

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

#### **Voice of the Customer (VoC)**

Rather than simply relying on surveys to better understand your customers, analyze the conversations they have with you across all channels.

Find out the 'why' behind changing satisfaction scores to uncover and resolve issues before they impact your business.

#### **Al-Enabled Agent Evaluation**

Manual evaluation of agent interactions is time-consuming, prone to bias and are above all, incomplete – it is estimated that supervisors can only listen to 5% of all calls.

Get a better picture of performance and highlight coachable moments through Al-enabled agent evaluation that delivers an impartial, comprehensive assessment by analyzing 100% of interactions.

# Trend 2 Knowledge is Central to Customer Service Success



Why do customers call, email or message your contact center? Because they have a problem that they want solved – 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 centrer 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 <u>according to</u> <u>McKinsey</u>.
- The complexity of the questions they have to answer has increased exponentially.





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Essentially, companies have to handle more interactions, more quickly, across more channels, requiring greater knowledge to answer them than ever before. Solving these challenges is vital and revolves around knowledge and delivering it in ways that meet customer expectations.

First, the good news – customers are 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, chat bots and IVR systems.

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.

#### **Organizations 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, while keeping them updated

... which is 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 chat bots, the web, apps or IVR. Backed by up-to-date knowledge and Al-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 and make it available to agents, customers, and the wider business. Ensure it is <u>easy to manage and update</u>, <u>delivering consistent answers</u>, across all channels.

## Trend 3 Organizations Must Do More with Less

As organizations grapple with recession, higher costs and potentially lower revenues, the focus will be on optimizing operations across the business.

As a department traditionally seen as a cost center, 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."

Optimizing operations 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 approach will ultimately prove to be a false economy, as it will negatively impact customer loyalty and potentially cost more than it saves.



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

Successful brands are those that focus intently on the customer experience they deliver, so begin by deciding what you want your reputation to be over the long-term.

A good example is what happened in the airline industry during COVID. The majority of companies dramatically cut staff, and when demand rapidly bounced back, they found themselves ill-equipped to run their businesses, and had to cancel flights, damaging their reputations and revenues.

In contrast, Ryanair retained more of its people, meaning it could quickly and easily return to normal operations.

A major enabler is technology.

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 helpful conversations with customers. Cloud also provides better control over costs, by paying only for the services being used.

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, you'll be one of the 20% of customer experience teams that disappear in the year ahead.





# Technology that helps improve efficiency without impacting service

## **Contact Center 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 AI to streamline operations. Spot opportunities to further improve through detailed analytics and use workforce management solutions to optimize staffing levels at all times.

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

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

## **Contact Center Integration with Microsoft Teams**

Increase collaboration across the business and improve efficiency by integrating your contact center 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 spending.

Call accounting software ensures costs can be allocated more accurately, while identifying and preventing fraud, billing errors and misuse.





25%

Leveraging AI in a customer engagement (CX) 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 what is important to them, <u>according to</u> research from Accenture.

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

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

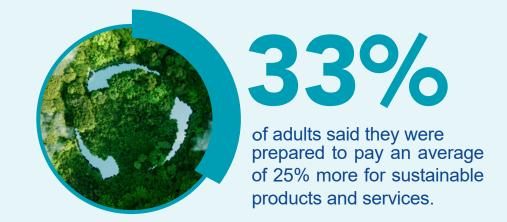
"More than 1 in 3 customers will place greater emphasis on an organization's ethical practice, local relevance and treatment of its employees when making a purchase."



Responding to conscious consumerism is an opportunity, not a cost – 33% of 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 centers 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.



- Use digital channels, businesses can avoid the need for customers to visit branches through high quality video conferencing, 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 a cloud-based infrastructure reduces your carbon footprint through lower energy usage.

Specialist cloud providers are masters at running data centers effectively, using minimal power, reducing our collective carbon footprint. Recently, the industry has made the commitment to switch to renewable energy sources, further boosting sustainability.

## Microsoft Teams Enables 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 minimizing 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 most face-to-face meetings. With document sharing, bio-metric authentication, voice recognition and speaker annotated transcription, your overall efficiency increases. As an added benefit, you've got an unbiased and actionable summary of all meetings - delivering more value than attending a meeting in person.

# 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 organizations with highly engaged employees are 11% 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.



11% organizations with highly engaged employees are 11% more profitable.

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

Work is often repetitive and involves following specific processes and procedures. Agents typically struggle with multiple, incompatible systems, and don't have easy access to the most current knowledge. They are constantly monitored and judged on metrics such as Average Handling Time (AHT), rather than customer satisfaction, and face constantly increasing workloads. Stressed or abusive customers may mistreat them, 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 when in the office or they struggle with the processes

that were designed when everyone was located in the same office.

For companies to be operate successfully in this new reality, requires a committed focus on protecting the mental and physical wellbeing of the workforce as well as a dedication to improving 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 centers experience attrition rates of 30% and above, according to the ContactBabel CX Decision-Maker's Guide 2022-2023.



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

- **Technology:** Supporting agents with the right technology that empowers them to do their jobs easily, efficiently, effectively.
- Skills: Providing new skills training such as developing empathy or mastering new communications channels, delivered through a combination of coaching and training.
- Process: Putting the right processes in place 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 hot lines 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, real-time speech analytics solutions can alert supervisors who can step in to offer support, lowering stress levels for agents and providing assistance to the customer.

### **Quality Management**

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

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

Giving agents flexibility about where they work can help improve the employee experience and provide them with better work/life balance. Supporting a hybrid workplace leverages cloud-based technology that provides 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 solutions for customer issues. Searching for information while on a call causes delays which annoy customers and add to agent stress levels. Providing fast access to a consistent, centralized knowledge base that gives precise and specifc information is therefore vital to both improve the agent experience and boost customer satisfaction.

## Customer Experience (CX) Trends 2023 - Takeaways for Leaders

**Successful customer service requires multiple senior managers to work together.** To address the trends outlined, we recommend the following takeaways:

## **Action points** for CX Leaders



Listen to the Voice of your Customers (VoC) and use this to guide your strategy and tactics



Understand where technology can help deliver benefits while ensuring customer satisfaction and retention



Ensure you are demonstrating ROI for all programs to justify your budget



Provide self-serve capabilites across multiple channels



Motivate and empower your teams to ensure engagement and empathy

## Action points for Finance/Operations Leaders



Make the business case for cloud to support greater efficiency and sustainability



Focus on customer and agent retention to reduce churn



Actively embrace ways to optimize costs (such as call accounting)



Break down silos between departments through greater collaboration



If budgets do need to be cut, consider other options than simply reducing head count first

## Action points for IT Leaders



Monitor service levels in real-time capturing the whole customer journey, from when the phone first rings to when an issue is resolved



Use intelligent automation to improve processes and bring down costs



Enable hybrid working through a secure, flexible, and scalable IT infrastructure



Reduce the number of systems agents need to use and improve their experience through unified desktop solutions



Investigate and monitor emerging technologies such as the Internet of Things, Metaverse and Virtual Reality

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## About Enghouse Interactive:

Enghouse Interactive (EI), a subsidiary of Enghouse Systems Limited (TSX: ENGH), is a leading global provider of contact center software, services, and video solutions, serving thousands of customers for over 35 years. El solutions enable customers to deliver winning customer experiences by transforming the contact center from a cost center into a powerful growth engine.

Enghouse Interactive's core values – Reliability and Choice – are key differentiators in the global marketplace. Reliability speaks to El's reputation for consistently honoring its commitments to its customers, staff, partners, and investors. Choice is reflected in the unparalleled breadth of its CX portfolio, which enables customers to choose from a wide array of solutions, whether deployed on-premise, in the cloud or on a hybrid platform. By leveraging a broad range of technologies and capabilities based on open standards, Enghouse Interactive simplifies the advanced integrations customers require.

Respecting local regulatory requirements, and supporting any telephony technology, Enghouse Interactive ensures that its customers can be reached by their customers – anytime, anywhere, and via any channel.

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