

Contact Centres in the Fast Lane

The Rise of a New Operating Model

A white paper by

brainfood

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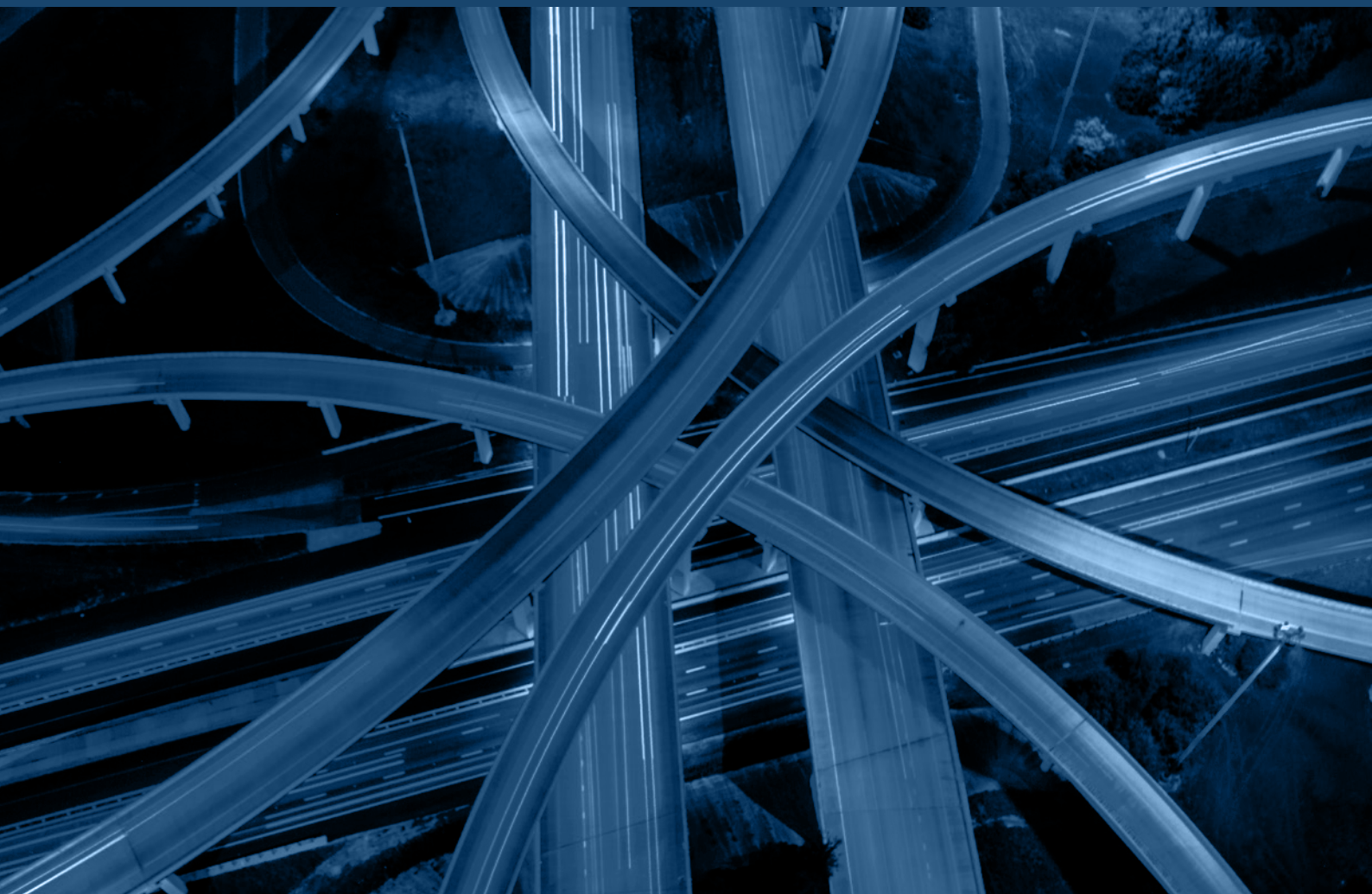
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Introduction

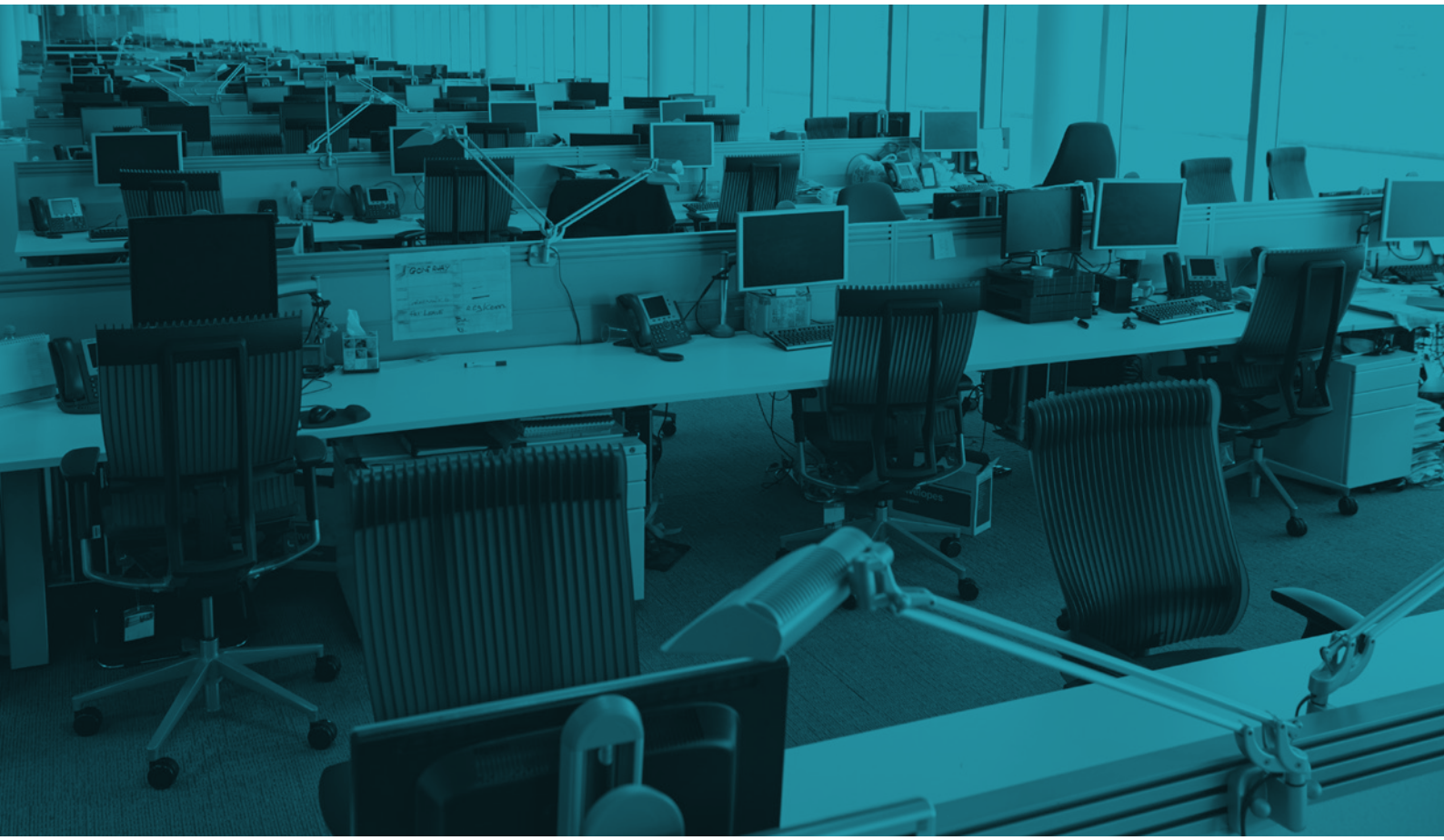
Caught in a wider organisational response to the pandemic, contact centre leadership is busily responding to the demands of customer, employee, and organisation. Their combined impact is starting to redesign the way contact centres work. Imagination has been liberated as new responses are urgently demanded.

Many outstanding ambitions such as digital first engagement, omni-channel effectiveness, actionable insight, AI fuelled decision making, front line empowerment are now in production and being scaled.

This e-book explores why the contact centre is likely to remain in a state of accelerated change and what it might look like as part of a broader digital first capability that now underpins most organisational transformation.



How the pandemic changed expectations and behaviour



The pandemic has triggered behavioural change in both customers and colleagues. The consequences are impacting how contact centres need to operate. At the time of writing, we are somewhere between an emergency pivot to remote working and a revised resourcing model trying to re-embrace bricks and mortar sites.

This is likely to settle into a flexible mix given the ongoing uncertainty provoked by the virus. Expert predictions on the pandemic's long-term impact on UK daily life can be summarised as follows. Given its speed of transmission, it is likely to remain a persistent threat. Mainly controlled but flaring up at seasonal peaks. This remains an optimistic forecast in that it anticipates effective vaccination which as we know is yet to arrive and be proven.

We have already learnt an important lesson. Persistent, widely adopted 'safe' behaviour slows the numbers of new cases. While significant lapses provoke transmission and put lockdown measures back into play.

This ongoing uncertainty is turning our temporary coping strategies as customers and colleagues into permanent habits. Here is one example of this behavioural trend and how it influences customer service expectations.

We are often reminded of the need for social distancing. As a solution, the problem this is trying to solve is 'social density'. It is the reason for why offices were abandoned. The reason physical retailing remains subdued and why the airline industry is almost certainly in the top three sectors in terms of layoffs.

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In response to the health threat from social density, our instinctive behaviour is to cocoon ourselves. Drive in cinemas are being built here in the UK. US consumers can expect more drive-thru groceries and restaurants so they do not have to leave the safety of their vehicles. Campervans have never been more popular as a 'safe' holiday option. FMCG giant P&G reports sustained heightened demand right across their health and hygiene product ranges.

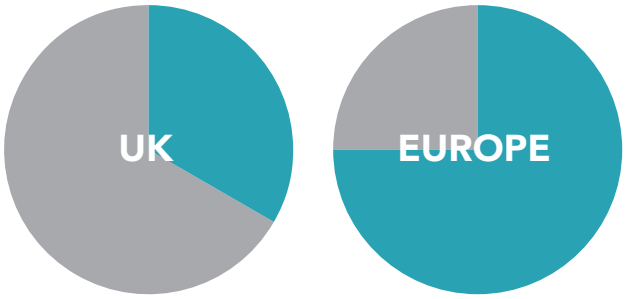
Recent stories from weekly catch up sessions run by UK contact centre associations show many advisors enjoy the benefits of homeworking and want it to continue. To the surprise of many, so do an increasing number of executives now mulling over the benefits they have witnessed.

Whatever level of confidence in physical proximity we recover, the habit of getting things done in an online digital way is here to stay.

In the broader economy, just one-third of UK white collar employees have returned to offices compared with almost three quarters of staff in Europe according a Morgan Stanley survey conducted mid-July.

White collar employees that have returned to offices

Morgan Stanley July 2020



If you are a regular conference attendee or award nominee, expect these to take place online during 2020/21. Event hosting will be beamed from TV studio standard facilities for audiences to consume online. Even if we resume face to face versions over the next few years, conference organisers expect they will retain the online viewing option.

In other words, whatever level of confidence in physical proximity we recover, the habit of getting things done in an online digital way is here to stay. It is an irreversible habit.



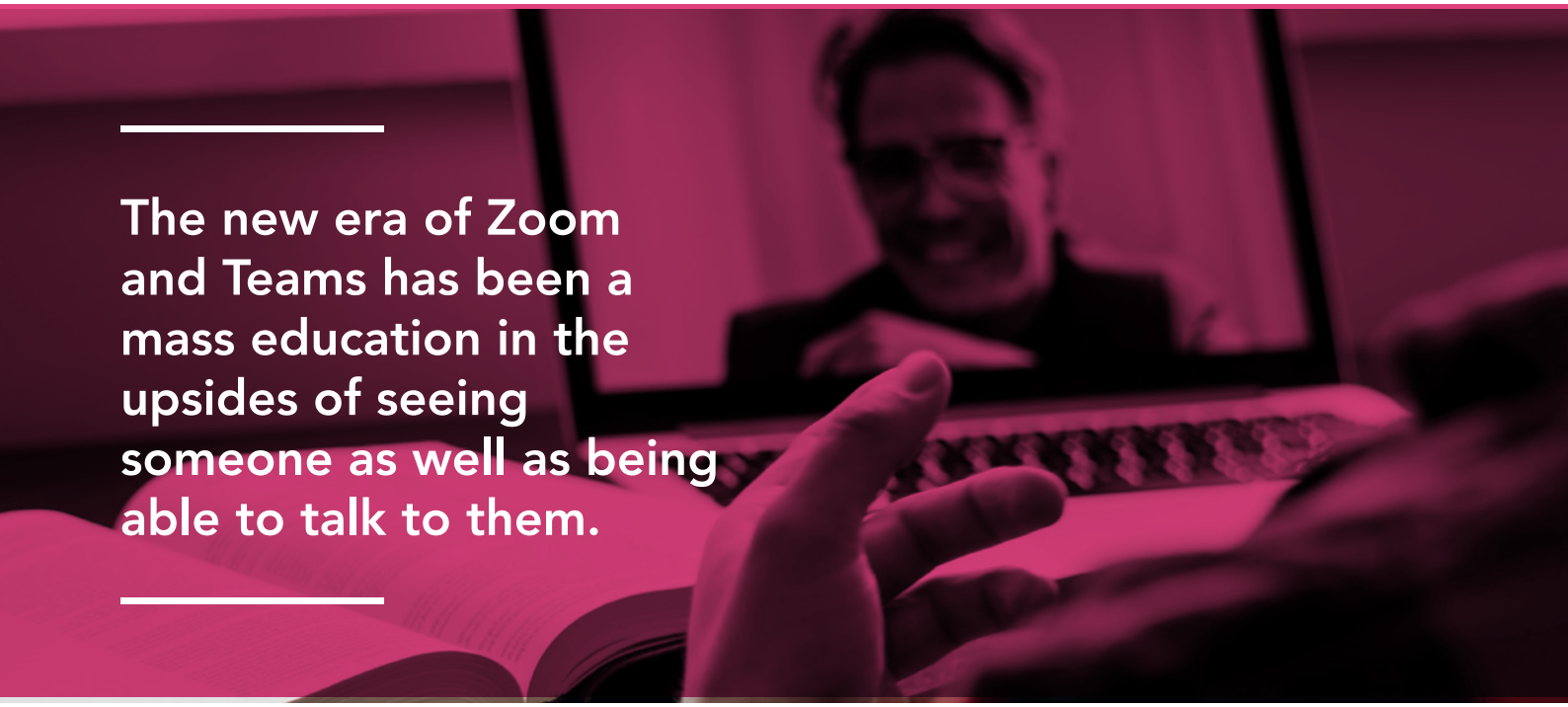
The rise of digital first strategies

We can see this in the way many contact centres reported significant changes in their contact mix. The dramatic spike in online shopping during lockdown drove email and web chat volumes.

Customers found new ways to access live assistance as the perception of an overwhelmed voice channel grew even if it was confined to a few sectors. Social interaction channels carried significantly more traffic. Some organisations accelerated introduction of messaging to align with their customers' reliance on smartphone access to stay in touch and get things done.

Even so, demand for voice remained strong especially when topics became emotive or complex such as requests for payment holidays. Even video has put up a case for being more than just a marginal interaction channel. The new era of Zoom and Teams has been a mass education in the upsides of seeing someone as well being able to talk to them.

As a result, video has been adopted as an 'always on' back channel to strengthen customer service team bonding during lockdown. Video is also proving an excellent medium for remote installations, scheduled maintenance, and ad hoc product troubleshooting. Research shows it is faster, cheaper, and of course safer than traditional face to face. Unsurprisingly NPS shoots up as well.



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This is the new era of contactless engagement

Retailers are trialling video with augmented reality to allow customers to try on products such as jewellery. Some are offering scheduled access to in-store experts who provide a human touch during online shopping.

These blended models are popping up everywhere. Burberry has just launched its first social retail outlet in China which feeds relevant social commentary from customers' WeChat app into the instore shopping experience.

Omni-channel engagement finally flowers

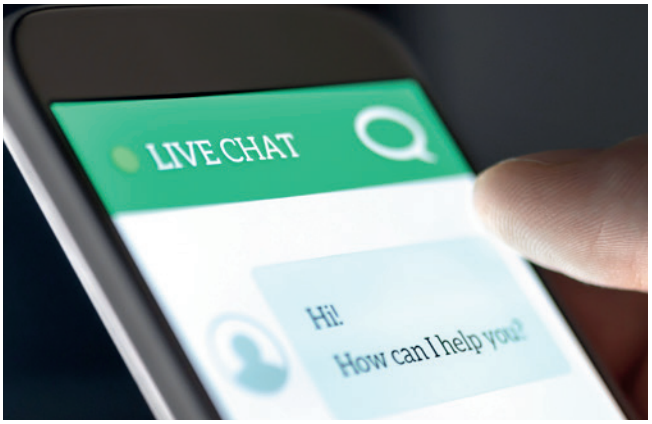
Contact centres are also learning how to blend digital and human assistance. Changes to the contact mix are not just between different modalities (voice-text-video) for live assistance. They also feature growth in self service and proactive messaging as organisations attempt to take pressure off live assistance channels and nudge customers to lower cost options.

Together they help maintain the appetite for 'digital first' behaviours which both consumer and organisation fell into since lockdown. While neither are new strategies, the time is now ideal for their mass adoption.

For instance, it has taken time to understand the design principles of a satisfying and effective self-service experience. One that encourages customers to abandon their instinctive reliance on live assistance. Human centered design and the predictive power of AI are part of the secret sauce.

Service design recognises it is a challenge to transform the sophistication of human conversation into an automated equivalent. This is how voice app experts Voiceflow tackle it.

- Apply the 80/20 rule to determine topic focus. Discover your 80% through prototyping and user-testing, then prioritise accordingly.
- Get your prototypes in the hands of other quickly and often. Learn from session history and iterate accordingly.
- When designing, think about how you can use session, historical and environmental context to make a truly great conversational product.



Sometimes the design process needs more transformational groundwork. Especially when the process of reaching a customer outcome requires the active support of live assistance to mask the complexity and irritation of getting there.

In these instances, the design process needs to start by reimagining the process of achieving that customer outcome.

- How can it become easier and faster?
- Once simplified, can most customers, most of the time, now achieve that outcome by themselves?
- When and why is live assistance still needed? Can this be reduced further with more design iteration?
- Or given diminishing returns, is escalation to live assistance the right choice to offer?



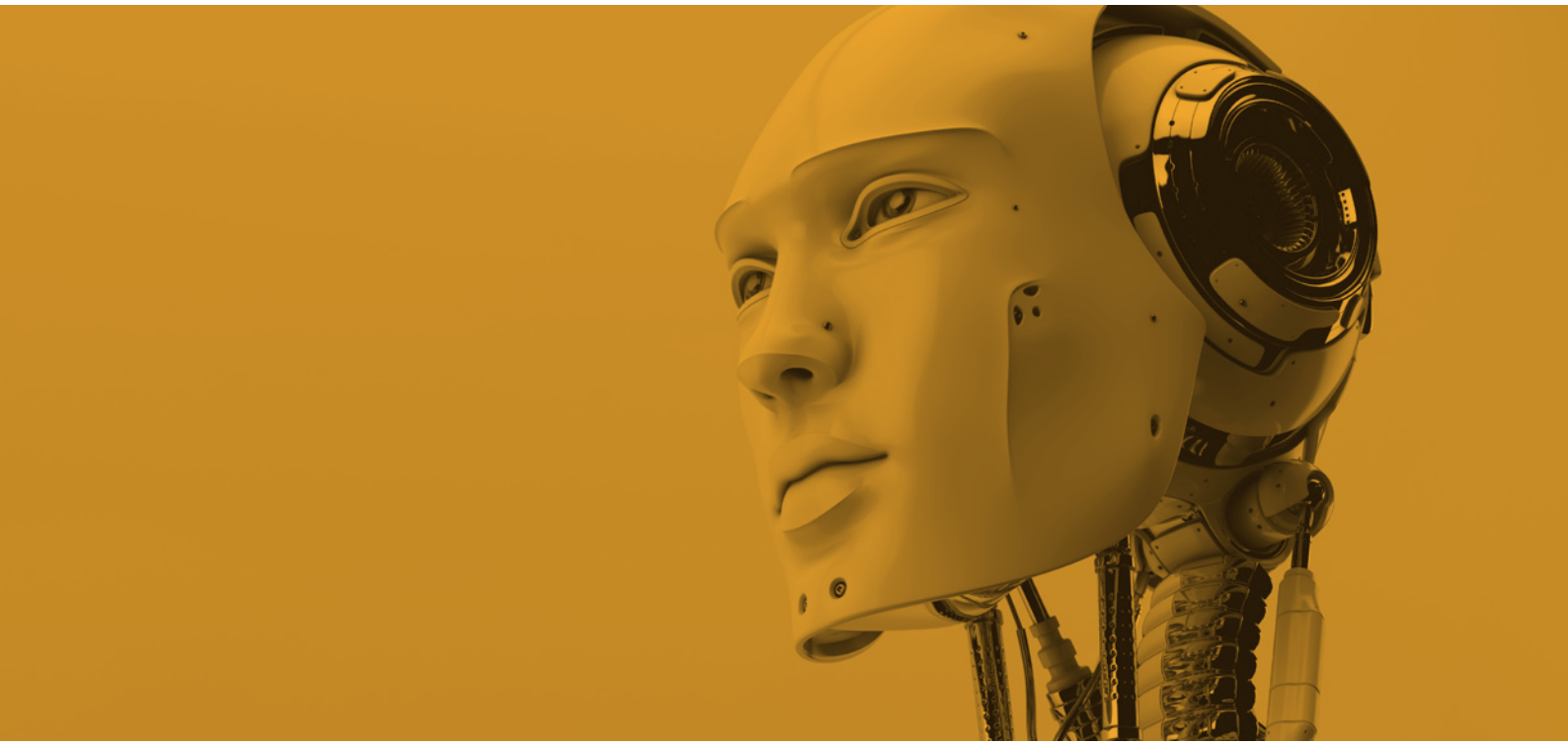
Human centered design and the predictive power of AI are part of the secret sauce.

Why a digital first world is not simply a clone of what we already have

One of the most important insights from adopting a digital first strategy is that new capability should never be a digital clone of what has always happened. Things often become easier and faster by becoming different.

However, this requires imagination. To generate this creative context, it is important to leverage the diverse mindset that cross functional teamwork brings when redesigning legacy processes. Part of the collective mindset needs to be technically literate and aware that the prime strategic benefit of technology is to reinvent how things are done. In other words, when the capability of a new technology is fully understood, it can be applied to re-imagine how a customer journey works.

AI technologies are now being threaded through the contact centre technology stack



For instance, AI technologies are now being threaded through the contact centre technology stack. From customer interaction to advisor development. At their heart is the power to predict based on behavioural patterns. Whether housed in a natural language interface or a set of algorithms that anticipate customer intent and offer next best actions.

This is how the latest generation of knowledge management works. It predicts based on a user's live digital footprint and prior engagement profile. As a result, it can strip away irrelevant options and actively direct the customer straight to what they are looking for.

Rather than simply speed up the search process, the revised end goal of personalised self service is to remove all customer effort in terms of searching for answers in favour of simply presenting them with the right answer based on real time predictive analytics.

In similar fashion, this class of analytics has the potential to transform quality and performance management. From an occasional, resource intensive activity to a persistent level of personalised support for advisors and team leaders. Another example of digital first solutions being something greater than a simple cut and paste of old ways.

Some contact centres might still be some way off this milestone, but the technical building blocks are operationally ready. Meanwhile, the catalyst to adapt is only growing stronger.

Customer experience at much lower cost



The economic impact of the pandemic is job losses and budgetary cuts. As a result, service leaders will need AI fuelled insight for better decision making to navigate the tricky path of delivering positive customer experience at significantly lower cost.

Organisations recognise they must keep adapting to survive. The contact centre is being reshaped as a result of an economy in flux.

Leading UK economic forecasting group, EY ITEM Club anticipates

the UK economy could shrink by 10% this year.

The National Institute of Economic and Social Research forecasts that

the ending of furlough could result in pushing unemployment to 10% this year.

One in three UK employers expect to cut jobs by October

according to latest research by the Chartered Institute of Personnel and Development.

Conciliation service ACAS reports that

calls to its redundancy advice line almost tripled in June and July

as concerns mounted about the government's job retention scheme winding down.

Admittedly, not all sectors are impacted the same. The issue of social density defines the winners and losers. However, most customer service leaders face reduced budgets and difficult decisions about their ongoing resourcing levels.

In part, this explains the renewed interest in digital first solutions. Especially when they offer reduced cost to serve through the greater insight AI driven predictive analytics promises.

What does this mean in practice?

In general, contact centre leadership remains more ignorant that enlightened about what is happening on their watch. Both on a moment by moment basis and over time.

At a macro level, there are ever-changing patterns generated between different customer personas, the range of topics they want resolving, the channels they choose and the resulting outcomes. However, most of that data remains invisible, historic or too complex to decipher.



At the core of this evidence-based decision making is deeply insightful analysis into how customer demand and organisational ability to meet it ebbs and flows over time.

As a result, much decision making is reactive. And given the lack of relevant insight, often directed towards working harder than working smarter. This can change. Especially now there is strong motivation to quickly adapt driven by the pandemic.

Machine learning powered solutions, managed within data science best practices can offer a wide range of insights such as:

- Alert driven dashboards triggered by exception-based reporting
- Proactive messaging suggestions to reduce inbound queues based on trending topics

At the core of this evidence-based decision making is deeply insightful analysis into how customer demand and organisational ability to meet it ebbs and flows over time.

This will become the basis on which a new generation of contact centre strategy is built over the coming months and years.

Repositioning the value of the human touch

A recent article in the Sunday Times captures one the downstream issues thrown up in digital first cultures and suggests that even digitally native brands need to recognise that their customers expect live assistance when it matters.

The feature writer describes how the physical headquarters of one of the new digital only banks is often visited by 'customers desperate to speak to a human being rather than a chat bot'.

Some digital purists might see this as simply a design flaw and double down on the next iteration of the perfect 'frictionless experience'. Others will recognise the importance of using human touch strategically as part of a balanced digital ecosystem.

This is because many tasks can be enabled through the right mix of automation, AI and digital labour. Once achieved, customer facing teams are free to tackle customer interactions that have higher impact: emotive, complex or matter to the relationship.

Even in pre COVID times, there was growing recognition that as human beings, customers have emotive as well as functional needs and expectations. The drivers of churn are just as much about the way a customer felt they were treated as traditional reasons such as price.

Today the impact of emotion is even more evident. The pandemic and its economic consequences are making everyday life much more uncertain. Customers and employees are more consciously anxious as a result. This mood is psychologically grounded in a more defensive, lower trust mindset.

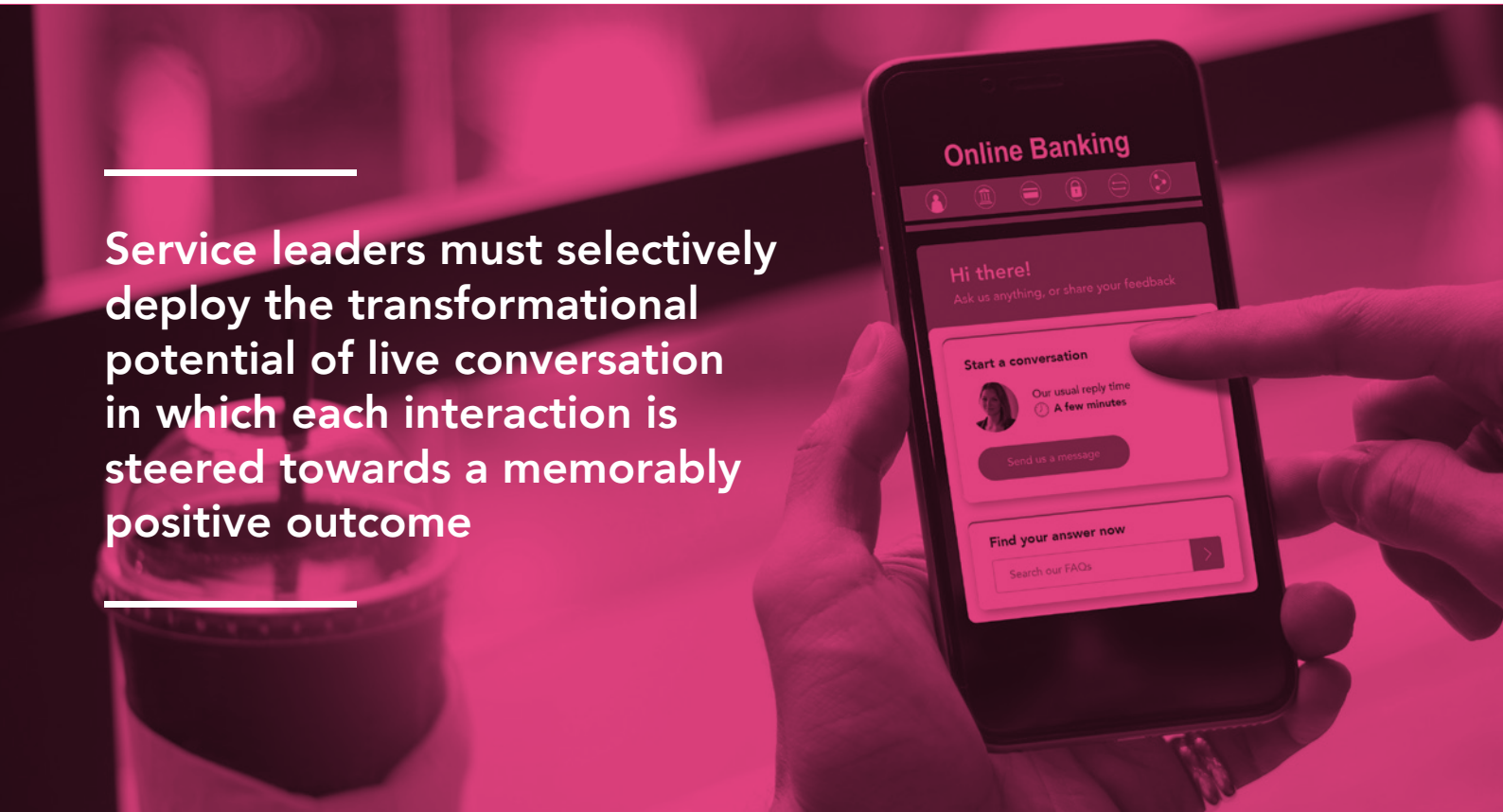


As a result, service leaders must selectively deploy the transformational potential of live conversation in which each interaction is steered towards a memorably positive outcome. This approach is based on the psychology that our memory of an event is different from what was originally experienced.

What needs to happen to operationalise this approach?

Assuming COVID economics demand a reduction in headcount and the current adoption of self-service continues at pace, those remaining must be upskilled and refocused on both emotive and functional outcomes.

Beyond reskilling, the type of culture needed to support emotive interaction is distinctive and quite different from legacy contact centre culture built on lowest cost delivery strategies.



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How Next Generation Contact Centres Will Work - A Perspective

The enduring value of an e-book is probably no more than eighteen months. Within that timeframe, the impact of the pandemic will certainly still be with us even if economic and health threats reduce.

Habits formed during this period will persist. Psychologists tell us they typically take hold after just sixty-six days. Customers have already adopted new habits. So have organisations. The headline is that digital now becomes the context for everything. Including human interaction. The misguided notion of voice versus digital channels will fade away. Every role will need to become digitally literate and trained in evidence-based decision making as AI transforms the availability of real time insight.

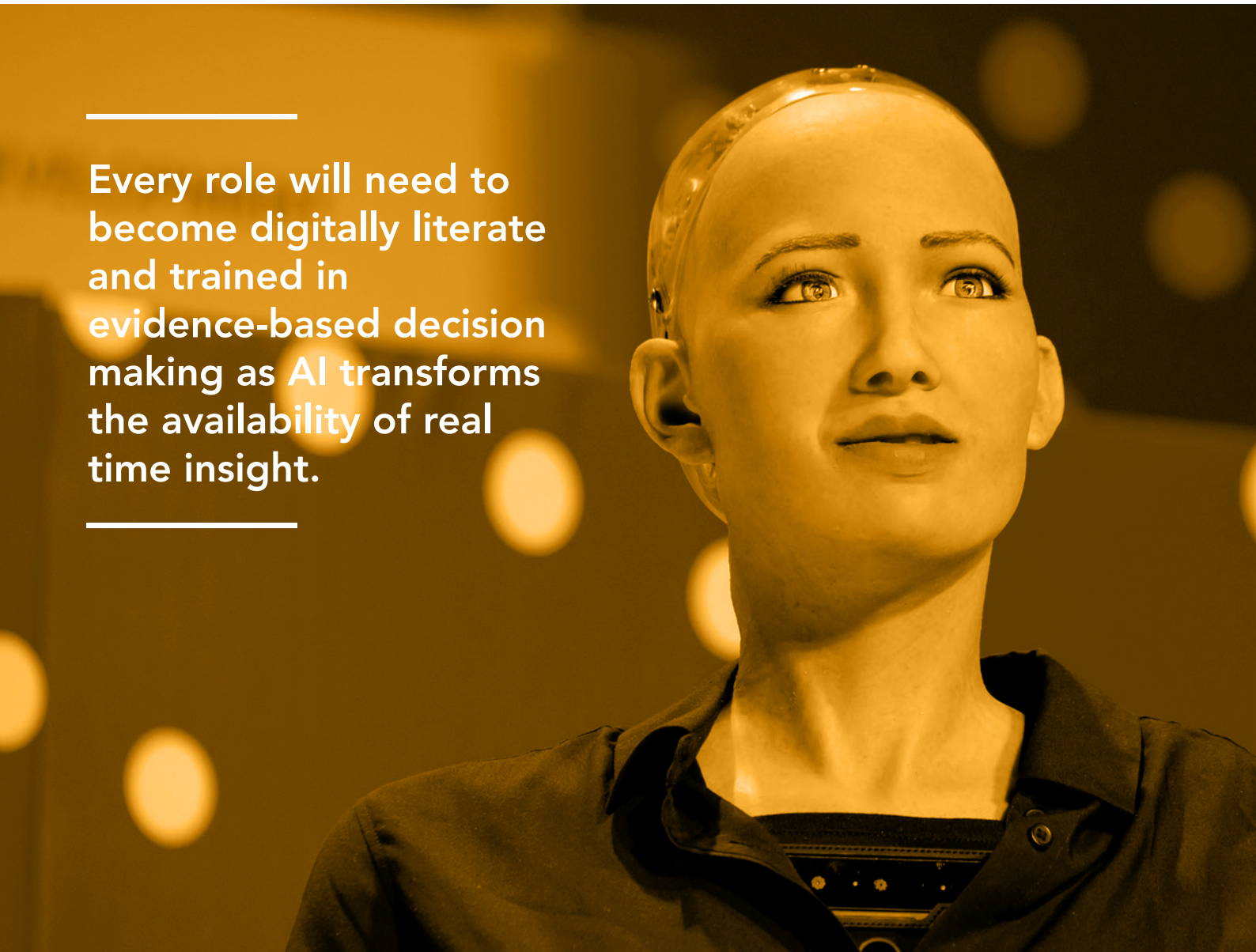
The speed of this transition sounds ridiculous by pre COVID standards. However, everyone has already experienced an increased velocity getting things done. And this pacing is likely to remain until safer and more prosperous times turn up again. So, expect change to happen rapidly.

At the centre of this new approach is technology. To state the obvious, transformation budgets must include redesign and behavioural change. Technology can only enable a shift of how things are done. In other words, it needs a whole team approach. From vision and values to metrics and management style. Contact centres need complete reinvention.

Expect intense competition between an increasingly innovative range of vendors. This will ensure affordable technology for every type of contact centre.

The resulting digital ecosystems will be delivered, scaled and secured with cloud services. As part of a broader organisational digital capability, they will orchestrate the delivery of better customer experience at lower cost.

This relies on the power of AI technologies. Everything from natural language understanding, self-learning algorithms to predictive analytics. Even computer vision to enable our increased reliance on contactless engagement.



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Extracting value from this digital investment will change contact centre culture. There will be new activity and roles. Possibly growing out of the right sizing exercise demanded by recessionary budgeting.

Evolving a digital ecosystem needs expert management. Knowledge curation, multi-modal conversational design, digital labour management, service design and agile testing, digital and emotive upskilling, predictive outcome management. More will emerge over time.

Different type of skill profiles will be needed. This should attract new candidates as the contact centre sheds its old reputation for command and control slog in favour of smarter working.

Live assistance will no longer bear the brunt of inbound demand. In a tightly orchestrated digital ecosystem, designed to access organisation wide assets as well as approved third party services such as real time delivery tracking, self-service and proactive messaging will increasingly deliver end to end information, education, and transactional services.

Human intervention will be targeted for times when live conversation remains the best way to achieve a customer outcome. Even then expect to see innovation in the ability to swap between human and digital assistance within single interactions.

Necessity is forging a new operating model.

In this brighter future, the contact centre becomes information rich and therefore influential in decision making. It matures into a hub that feeds many teams across the organisation. Some advanced centres also opt for closer integration between service, sales and marketing as key touchpoints in customer lifecycles. Within a unifying ecosystem why wouldn't they?

Some leaders will chase down and evidence the ROI of delivering positive outcomes to reposition the value of their contact centre. How do positive memories translate into improved trust, forgiveness, additional spend and lifetime value?

The silver lining in this pandemic is that everyone is being forced to adapt at speed. What has been postponed is now happening. Necessity is forging a new operating model. **Contact centres are in the fast lane.**

Contact

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