


The State of the Contact Center 2020



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Executive Summary

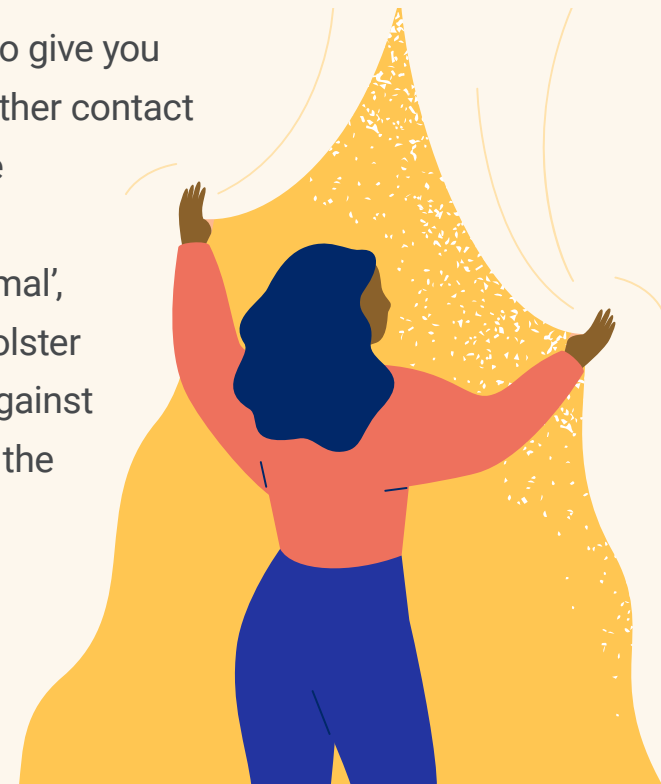
What a welcome the new decade had in store for us! I think we can all agree that not a single person got the answer correct to, “Where do you see yourself five years from now?”

The COVID-19 crisis laid bare the frailties in contact centers worldwide, and many of them have yet to fully recover. The industry will never be the same again.

For this report, we enlisted the help of industry leaders and specialists to unpick how the contact center responded to the COVID-19 crisis, and what they look like as a result.

The pandemic exacerbated many existing industry trends, but it put the brakes on others. Many of the changes we witnessed look increasingly likely to become the long-term paradigm.

This report aims to give you insight into how other contact center leaders are approaching this ongoing ‘new normal’, so that you can bolster your operations against the uncertainty in the coming years.





Buying habits have changed almost overnight, forcing companies to pivot to new ways of doing business; like working remotely, offering delivery, adopting new technology, and finding new ways to offer support.

But some things haven't changed—customers are still doing business with companies even if the way they do business has changed.

And, if they have a problem or a question, they still want the solution as quickly as possible and in the way they want it.

As we all move forward together, I see the CX industry finding new, faster and more efficient ways to meet their customers' needs, while also balancing a deeply personal, empathetic human connection.



Shep Hyken

CS & CX Expert, Keynote Speaker, and NYT Bestselling Author

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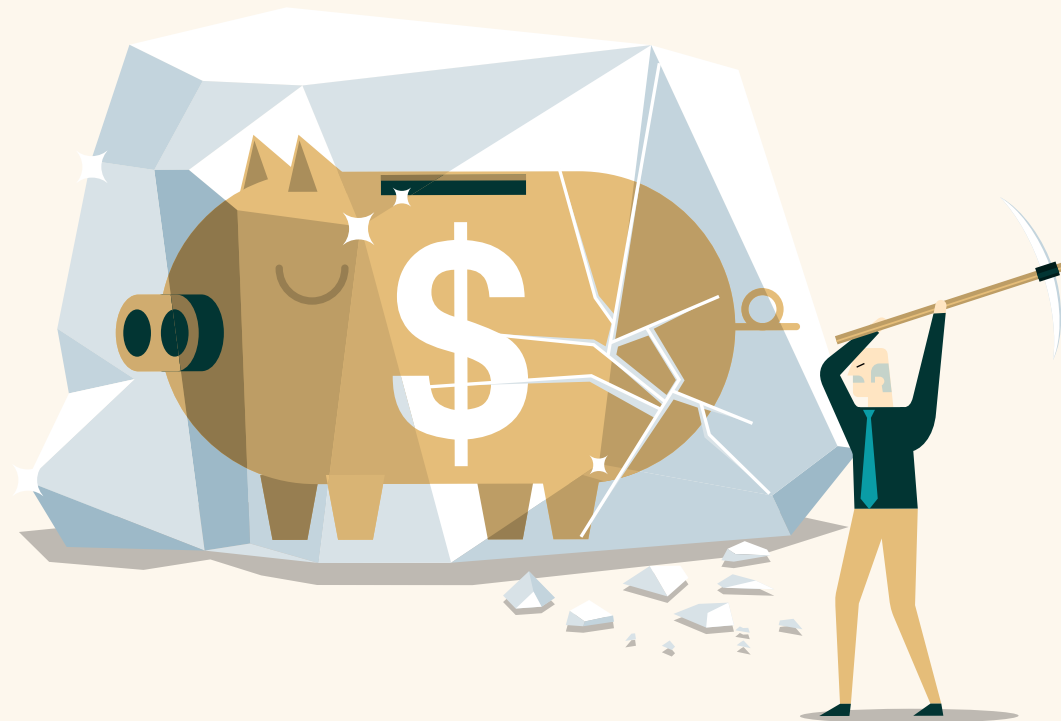
Stagnating Contact Center Budgets

More than half of the contact center leaders we spoke to indicated that their budgets were likely to stagnate or decrease over the coming months.

Although British and North American managers were generally more optimistic about their budgets, this trend was evident across all markets.

Given the nature of the crisis, budget overhauls were hardly unexpected. But it's worth mentioning that this is the first time in several years that we've seen contact center and customer experience budgets decrease.

The next few years will be a time of lean growth and cost-cutting ingenuity.





We've all heard the saying "necessity is the mother of invention". It's also at the heart of innovation and ingenuity. We've seen virtual service and self-service technologies quickly implemented due to limited in-person service options.

Many companies have been able to greatly streamline and optimize case routing, service calls, and even handle common service calls through virtual methods.

These greatly reduce customer service costs and improve time to resolution, leading to better customer experiences.



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The pandemic forced many customer service organizations to handle an exponential increase in call volumes, all while doing so across a distributed base of agents.

Companies who had invested in migrating to more flexible applications and architectures and who had the foresight to deploy technologies that enabled them to process large spikes in calls thrived – while those who did not, found themselves scrambling or unable to provide the level of support to meet their customer's expectations.



Rob Rodier

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Omnichannel Workstation Deployment Exceeds Voice-Only

Continuing the trend we've seen over the last few years, digitally-enabled or hybrid workstations overtook voice-only deployments.

Although voice remains the predominant channel, it's clear that contact center managers are increasingly seeing the value of digital channels, and we'd expect that to continue.

We saw that chat functions like webchat and chatbots are now widespread, but have yet to make the same impact in mainstream contact centers as may have been expected.



Contact center executives are expecting increased inquiries over social media, virtual assistants and Voice-IVR, but a decrease in inquiries over SMS and via the postal service. Most other channels, we should expect to grow.

This makes sense in the wake of the pandemic, as contact center executives look to companies that thrived during the pandemic for clues as to how to make their operations more resilient in future.



The pandemic will have lots of lasting impacts. If I had to pick one it would have to be "immediacy" - the need to be available to engage at whatever time and in whichever channel the customer chooses.

This applies to both CX engineering, management and CX measurement, and digital is the key enabler of this for both bot and person-to-person interactions."



Peter Lavers

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There will be a massive long-term impact of the pandemic on the contact center space.

Going forward, the sector will need to adapt to health and safety measures such as social distancing, which will mean major changes in how their facilities are laid out and equipped.

Equally, it will also require operators to diversify their delivery platform across multiple points.

The days of supporting a client from a single location are finished!



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Improving Data Security & Workforce Management Are Priorities

This year – largely due to the exodus from the office – improving data security and optimizing workforce management are the highest priorities for contact center managers.

Almost as important as data security was a focus on automating interactions – particularly voice automations. Contact center executives are looking to technology to solve their operational issues.



Both investment in new facilities and hardware were ranked far below other concerns, a trend we expect to be exacerbated by the ongoing COVID-19 crisis.

Contact center executives are not concerned with improving their physical facilities. This, however, may be shortsighted.



If 2020 has taught us anything, we really shouldn't talk about what to expect in the future because we really don't know!

That's not to say that we shouldn't plan for the future – I just hate talking about trends when we have so much work to do **today**.

For those businesses that have the basics down, the major focus areas into the near future must be on data, data quality, data access, data analytics, and systems integration in order to not only design and deliver a great customer experience but also to facilitate – and to realize the benefits of – a digital transformation.



Annette Franz

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Most contact centers are not technically architected to accommodate work-from-home operations, so the COVID-19 shelter-in-place rules raise data protection risks.

Consumer routers are more vulnerable to hackers than their commercial counterparts. Agents working from home may be using unsecured Wi-Fi connections sharing

computers with family members, and even inadvertently allowing devices in their homes to 'listen in' on calls.

Automating processes with RPA and using alternate channels that reduce the volume of voice-first contacts will reduce the data protection risks and prepare the business for next-gen contact centers."



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Data, Data, Everywhere But Not Much of it is Used

Now that 'Big Data' has been embraced by the marketplace, most contact centers are gathering data en-masse.

But despite this, most enterprise contact centers are struggling to utilize the data they've collected – even for basics like personalized communications.

Only half of the contact centers we spoke to said they had the ability to personalize customer communications and just over two-thirds were able to analyze their data.

There was also real skepticism about the potential for process automation to increase, likely because many CX executives are looking to AI to solve their data and automation problems.

There's no doubt that AI will become more prevalent in the coming years; more than half of contact centers expect demand for it to increase.





Some of the significant trends in contact centers will be a ramp up in chat with AI capabilities. This will allow for quick answers to questions and timely resolutions on common problems for customers.

I also see virtual conferencing chat being a trend; whereby the human emotional experience cannot only be heard but seen from both ends of the conversation. This can make for an improved customer service experience.



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Agent Attrition Problems Worsening

Unfortunately, despite a commitment to invest in previous years, agent attrition remains a pressing issue for most executives.

Most contact centers are experiencing the same level of agent turnover as in previous years. Worse still, turnover has actually **increased** for around one in five contact centers.

One interesting thing that we noticed was that agent turnover varied significantly by location. It appears that localities with better employment laws (UK & Australia) tended to perform better on average than their counterparts overseas.

We have yet to see the impact that the 'new normal' of working from home will have on the industry. It's highly possible that the new remote-working situation catalyzes the move to a gig economy.





The COVID-19 global pandemic has challenged contact centers in ways that other crises have not. Agents had to up their listening and empathy beyond what they had ever faced before. When you put customers in life/death situations with uncertainty looming daily, the calls they make to contact centers are calls for comfort not just for the standard purpose.

COVID-19 tasked the agents to sustain others while they were likely worrying about their own safety and families. It has also tasked leaders, managers, and team leaders to lead morale and help sustain the agents' resilience. All those who have suffered personal losses may find themselves questioning if they want to stay in the contact center industry."



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The biggest trend in 2021 will be the ongoing shift of CX delivery toward a gig platform.

The interest in gig working by both enterprise executives and potential employees is building to a crescendo.

With platforms being developed to support this business model, watch for it to become the hot topic of customer management in 2021.



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Outsourcing Remains Unpopular

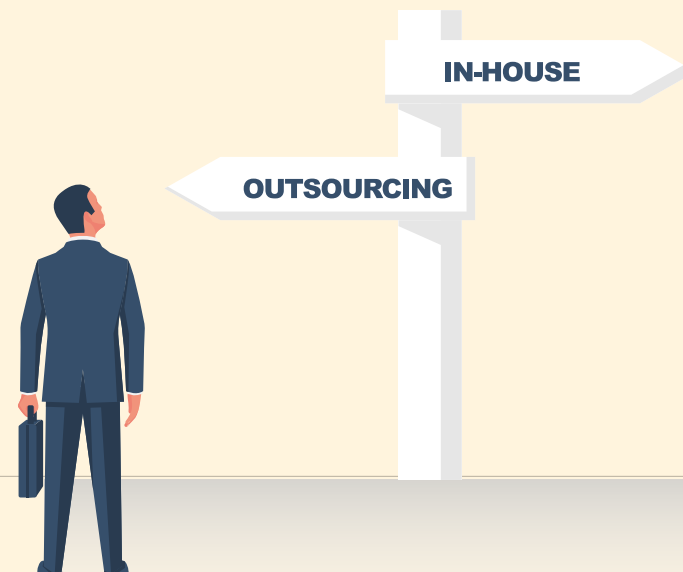
One thing that remained largely unchanged since last year was the widespread unpopularity of outsourcing.

Most contact centers had no outsourced operations. Of those few that did, almost all of them still performed the majority of operations in-house.

It seems that the stigma around outsourcing – particularly outsourcing overseas – remains strong.

Although the ongoing narrative in the media remains negative, an average of 33% of respondents indicated that they expected their outsourcing footprint to increase moderately or more.

Despite that fact, the overwhelming attitude towards outsourcing remained largely negative.



Call-Backs are Becoming Ubiquitous

One trend we were happy to see accelerating this year was the use of call-backs.

Of the contact centers we asked, nearly 50% said they were actively using a call-back solution of some type. We were disappointed to find our home turf, Canada, lagging far behind the USA and the UK in this regard, but encouraged by the YOY growth we saw.

Better still, the value of call-backs as both a competitive differentiator and a revenue driver is widely becoming accepted. Seven out of ten contact centers we asked said call-backs were appealing due to their ability to generate revenue. You can learn more about the ROI of Call-Backs in this [free eBook](#).

Added value for customers was another key reason for the use of call-backs, indicating that although customers may not specifically be requesting this service, most contact centers are well-aware the value this delivers to both them and their customers.

We look forward to driving this growth until call-backs are as ubiquitous as IVRs.





The pandemic has forced all industries to re-evaluate their operations, and contact centers are no exception. The change in the industry over the last few months has been both profound and ubiquitous; we cannot expect a return to the ways things once were.

The crisis has shown contact centers that they can be nimble, they can foster change, and they can embrace new technology. What's more, it has put things into perspective and reminded professionals of what's most important: the customer experience and providing excellent service."

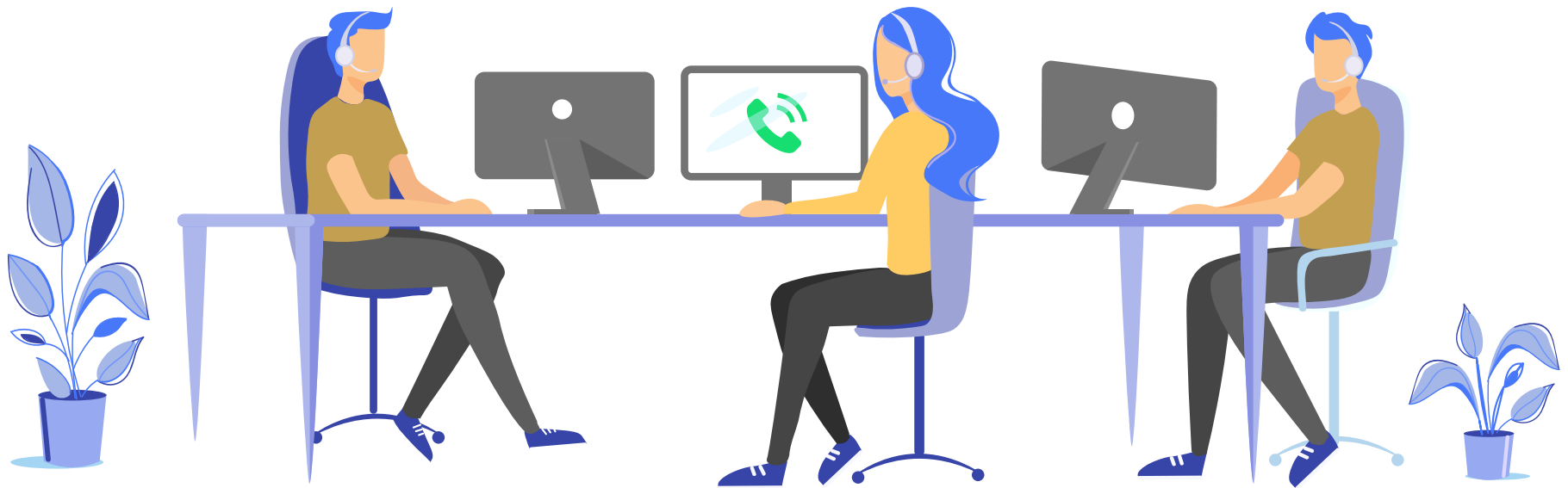


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