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SERVICE JOURNEY STRATEGIES

Global Benchmarking Series, 2022

Contact Center Technologies

February 2022

GBS
GLOBAL BENCHMARKING SERIES

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Our Sponsor – Service Journey Strategies Inc.

Preface

We hope that you got an opportunity to read our report titled 'CX Understanding and Strategies', the very first of COPC Inc. Global Benchmarking Series, 2022. We also hope that it helped you with insights and input that can be helpful in crafting your strategies as a CX practitioner. COPC Inc. understands that there is a constant need for information around many more topics of interest to CX professionals .

The data collection methodology we have used is same across topics (quantified online surveys for practitioners and consumers), but the reach we have in terms of geographies, organizations, and the expertise of the executives who responded to the surveys, is unparalleled and when we combine the executives' opinions and experiences with the opinions and experiences of 4,500+ consumers we are able to bring you some powerful findings.

This month we bring to you our latest report on Contact Center Technologies. We have identified the most used technologies (CRM systems, knowledge bases, QA tool, speech analytics, telephony platforms, etc.) across the organizations represented by the executives we interviewed and their plans around these. The report also includes the adoption and application of Artificial Intelligence (AI) in contact center operations. The report explores how consumers are adopting and accepting the various service channels available (with a particular focus on self service technology) and outlines how their preferences are changing.

I would also like to thank our sponsor of this Report – Service Journey Strategies Inc. – and I would also like to draw your attention to the section detailing the Approved Technology Providers at the end of the report.

Ian Aitchison
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Key Findings

Solutions for Contact Centers

- **81%** of the respondents stated their Contact Centers use Call Recording
- **'Speech Analytics/Natural Language Processing/Speech Analysis' is currently the least used solution,** but with a higher proportion of respondents stating their organizations are planning to implement it in next 18 months
- **In-house Contact Centers display a higher usage across technology solutions** for customer care operations, **except for use of Chatbots and Speech Analytics/Natural Language Processing/Speech Analysis**, where outsourcers (OSPs) lead

Use of Artificial Intelligence (AI)

- **37% of the respondents stated their organizations use AI** for customer care. Another 38% stated their organizations plan to use AI in future
- **83%** of the respondents stated that AI powered solutions are majorly for customer facing applications
- **'Improving Customer Experience'** emerges as top objective for implementing AI powered solutions, with **87%** of the respondents stating so

Customer Facing Technologies – Channels for Support

- **69%** of the respondents stated their organizations offer **both Human Assisted Channels and Self-service Technologies** (SSTs) for support
- **53%** of the respondents stated their organizations are **actively trying to shift traffic between channels**
  - **41%** of the respondents stated their organizations are trying to shift traffic from Human Assisted Channels to SSTs
- A majority of respondents believe **popularity for SSTs has been increasing** in recent times
- Customers have also a reported a change in channel preferences in favour of SSTs

Our Sponsor – Service Journey Strategies Inc.

About Service Journey Strategies Inc

Service Journey Strategies (SJS) is a global customer experience (CX) consultancy that applies an agile, results-first approach to solving clients' channel, journey, structural, and/or cultural challenges. Focusing on CX strategy, design, implementation and measurement, SJS works to help clients quickly generate quantifiable improvements along the end-to-end customer journey that benefit customers, employees and the bottom line.

Integrated Service Journey Model (ISJM)

SJS partners with clients to help them overcome the vertical silo to horizontal customer journey conflict and thrive in the journey economy. Services include developing the related CX strategy and plan and implementing and measuring the four stages of SJS's CX Transformation Maturity Model. This holistic and practical approach can cover blueprinting service journeys and a comprehensive current state to best practices gap analysis and roadmap of critical CX activities, technology and data flow. These are foundational to optimizing the Integrated Service Journey Model layered over siloed departments and responsibilities. This journey model approach breaks down silos, transforms culture, and helps quantify CX while optimizing outcomes for customers, employees and the business.

The ISJM is foundational to realizing and quantifying the financial and competitive benefits of a truly customer journey-focused and individual-centric culture.

For more information, contact Hank Brigman at Hbrigman@ServiceJourney.com.

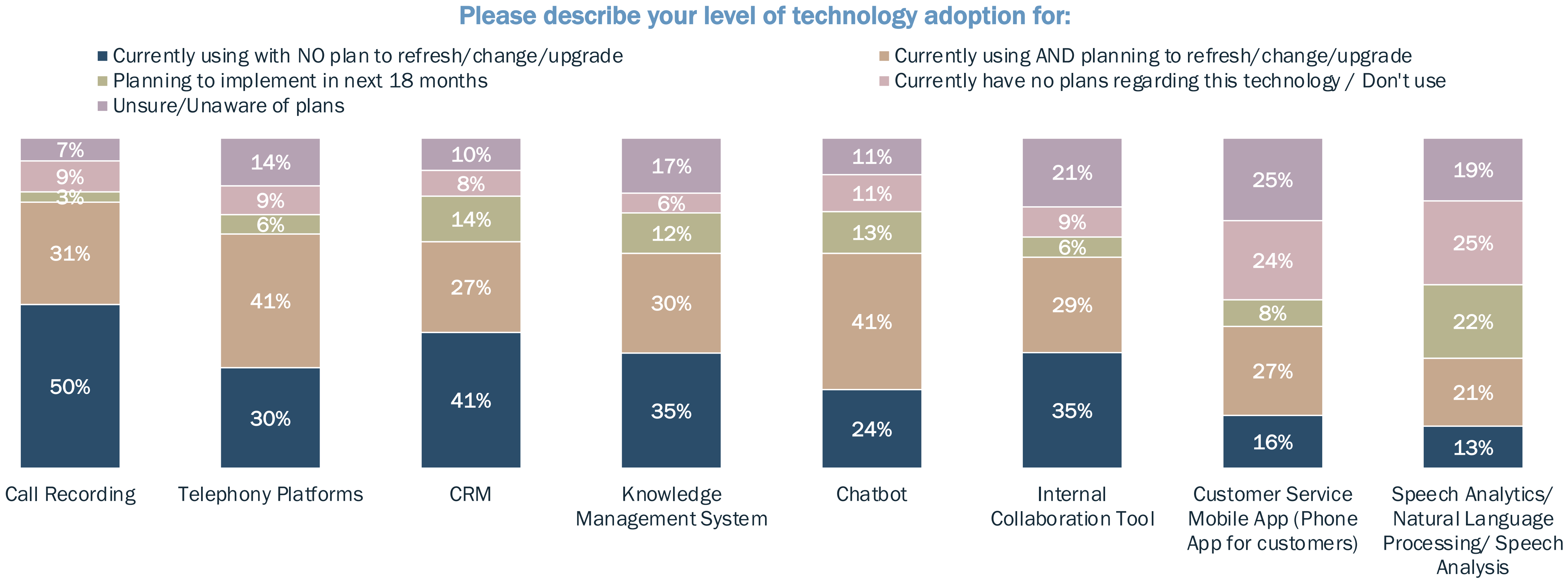
02

Solutions for Contact Center Operations

Current Adoption and Plans for Future Usage

Market Share and Satisfaction

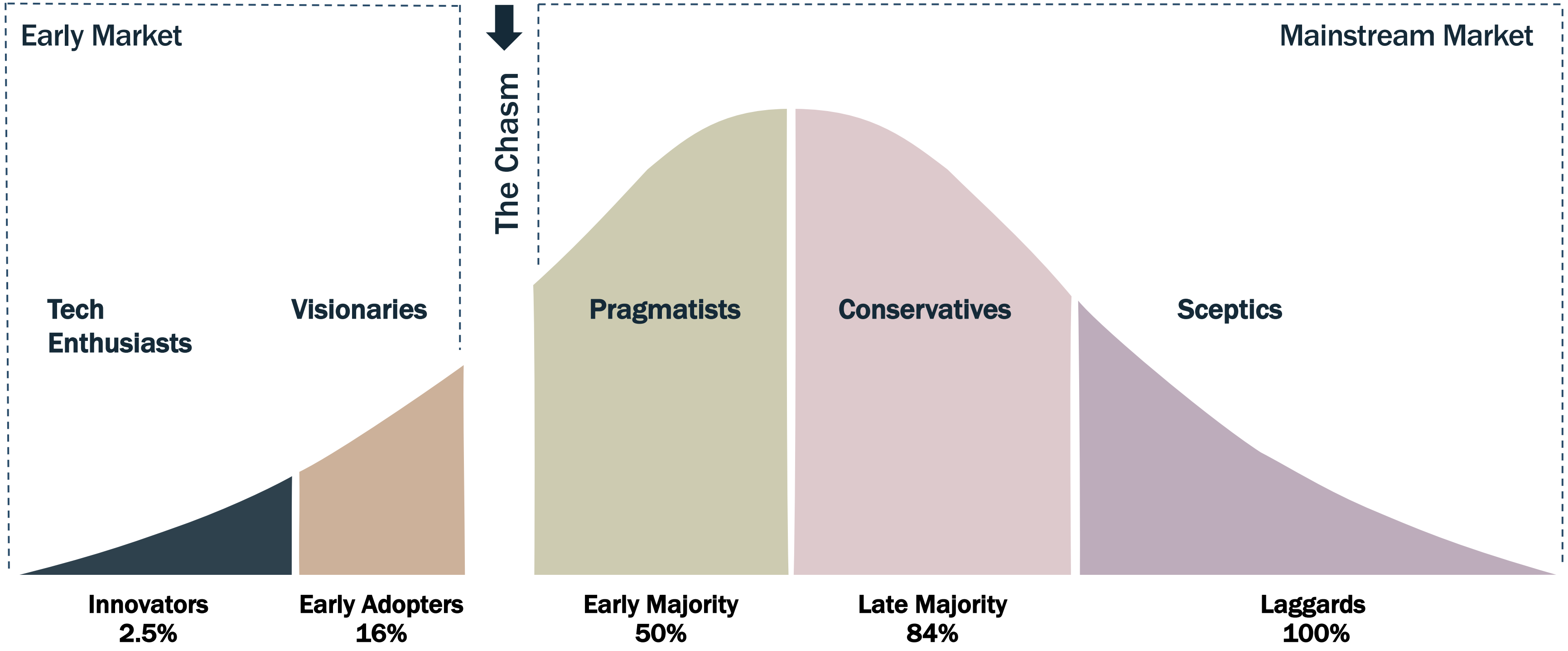
Solutions for Contacts Centers – Current Adoption and Plans for Future Usage



A larger proportion of respondents stated their organizations plan to implement **Speech Analytics/Natural Language Processing/ Speech Analysis** in the next 18 months – indicating an intent to invest more in AI powered solutions

Only 10% of the respondents stated they use all these technologies for their customer care/support function

The 'Technology Adoption Lifecycle'



Innovators are technology enthusiasts. Most likely the first set of users to invest in a technology

Early Adopters include users that quickly test and begin using a new technology

Early Majority and Late Majority – includes bulk of the users. 'Early Majority' are the users that drive 'market share

Laggards: last adopters of a technology

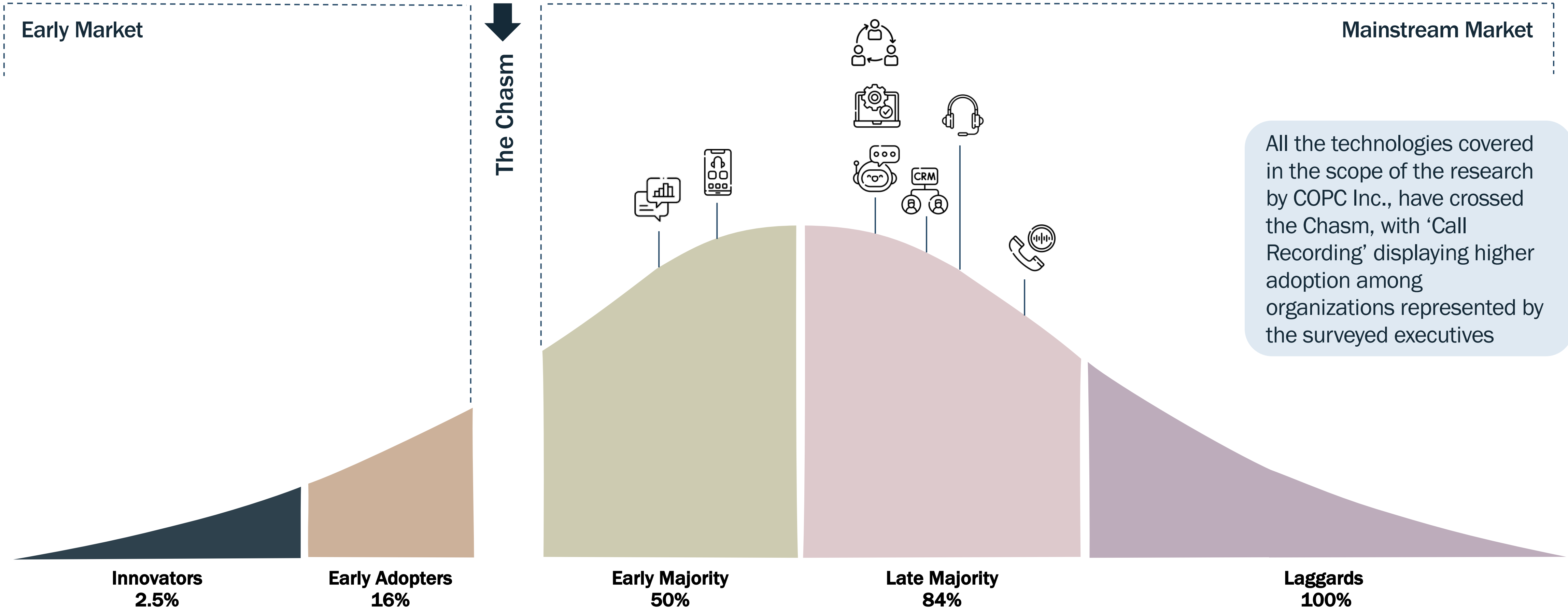
The 'technology adoption lifecycle' demonstrates the market growth for a technology by sorting its adopters into five categories. It is based on "*Diffusion of Innovation (DOI) Theory*", developed by E.M. Rogers in 1962.

The Chasm

In the technology adoption lifecycle, there's often a large gap between early adopters and the early majority. This gap is known as the 'chasm'.

The reason it's so difficult to cross the chasm is that there's a huge difference between the needs of the early adopters, and the needs of the early majority. 'Crossing the Chasm' is often about meeting the needs of the 'early majority' (pragmatists).

Solutions for Contacts Centers – Current Adoption Levels

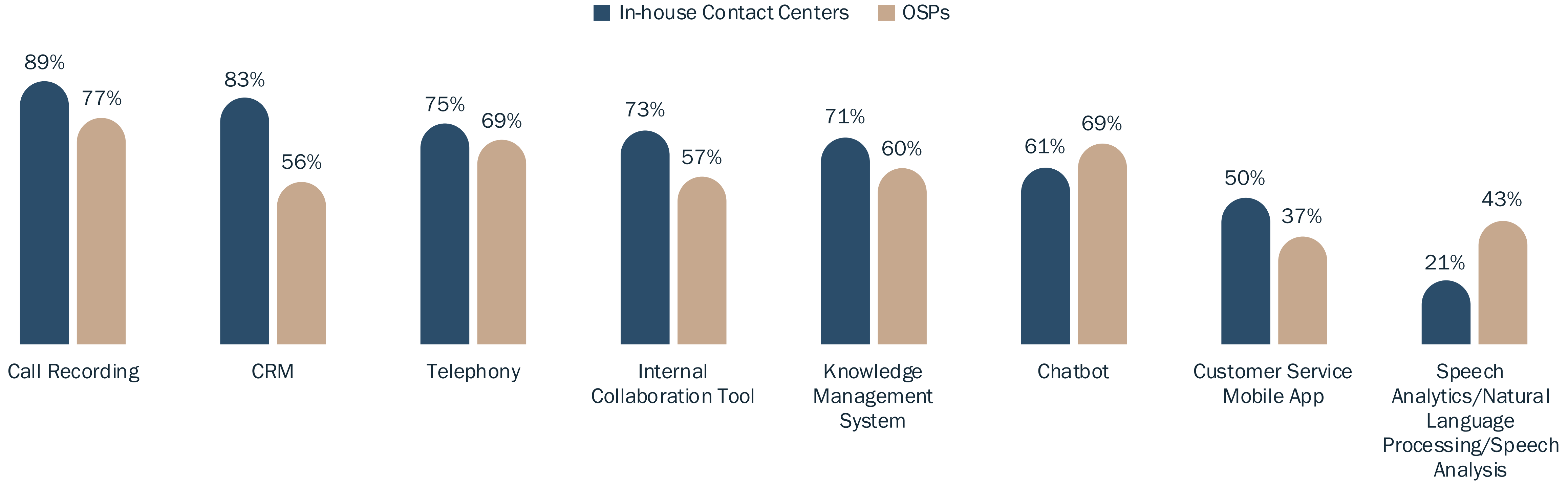


All the technologies covered in the scope of the research by COPC Inc., have crossed the Chasm, with 'Call Recording' displaying higher adoption among organizations represented by the surveyed executives

Call Recording | Telephony Platforms | CRM | Knowledge Management Systems | Chatbot | Internal Collaboration Tool | Customer Service Mobile App | Speech Analytics/Natural Language Processing/ Speech Analysis

Solutions for Contacts Centers – Current Usage In-house Contact Centers vs OSPs

(Data below represents percent of respondents stating their organizations are 'Currently using AND planning to refresh/change/upgrade + currently using with NO plan to refresh/change/upgrade')



In-house Contact Centers display a higher usage across solutions for customer care operations, except for use of Chatbots and Speech Analytics/Natural Language Processing/Speech Analysis, where OSPs lead

Technology for Quality Assurance (QA) Programs

Which systems or tools do you use to conduct your Quality Assurance Program?

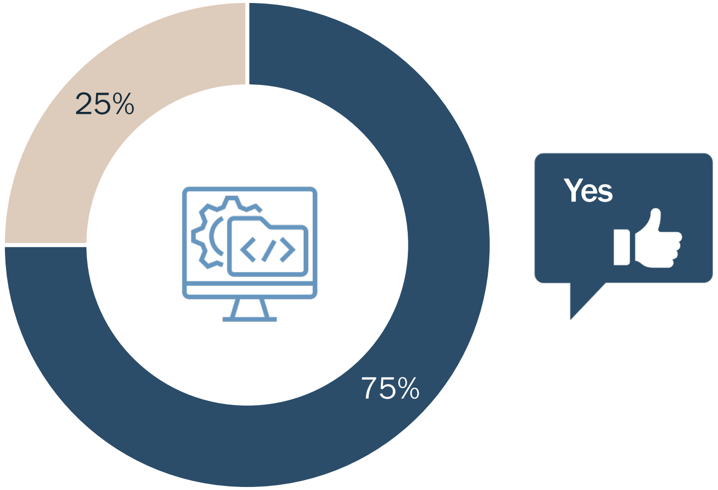
Quality specific software solutions	Manual (example: Excel)	A combination of both manual and software
20%	27%	53%

73% of respondents stated their organizations use a quality specific software for their QA programs

Directionally, a higher proportion of in-house contact centers stated they use **only manual tools** for their QA programs (30% In-house vs 25% OSPs)

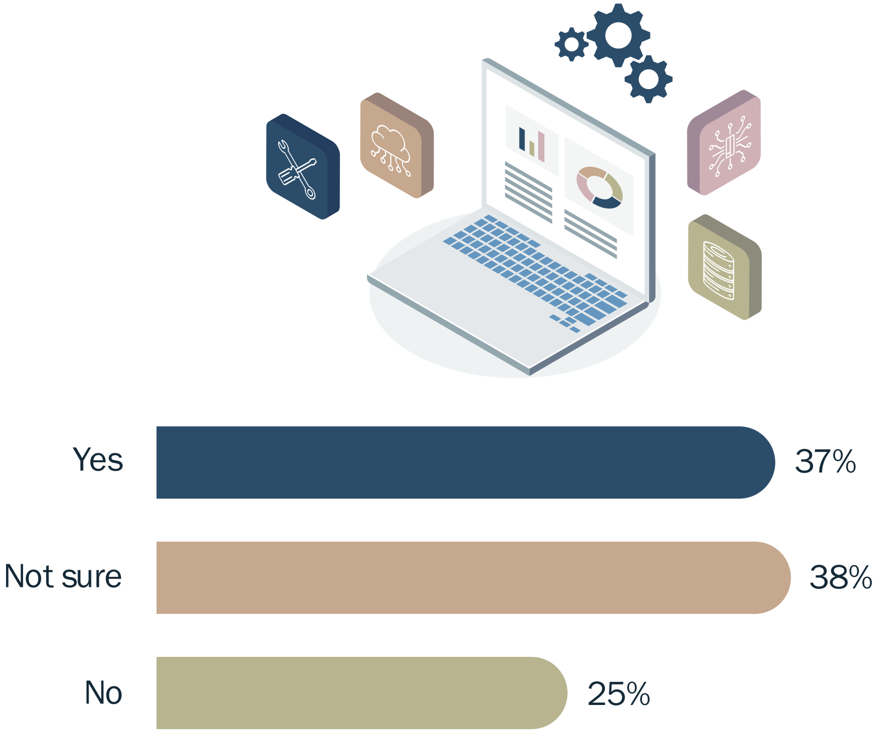
Technology for Workforce Management

Does your organization use any tool/software for Workforce Management (WFM)?



A higher percentage of respondents from OSPs stated their organizations use a tool/software for WFM
(85% OSPs vs 64% In-house)

Do you have plans to refresh/change/upgrade your WFM tool/software?



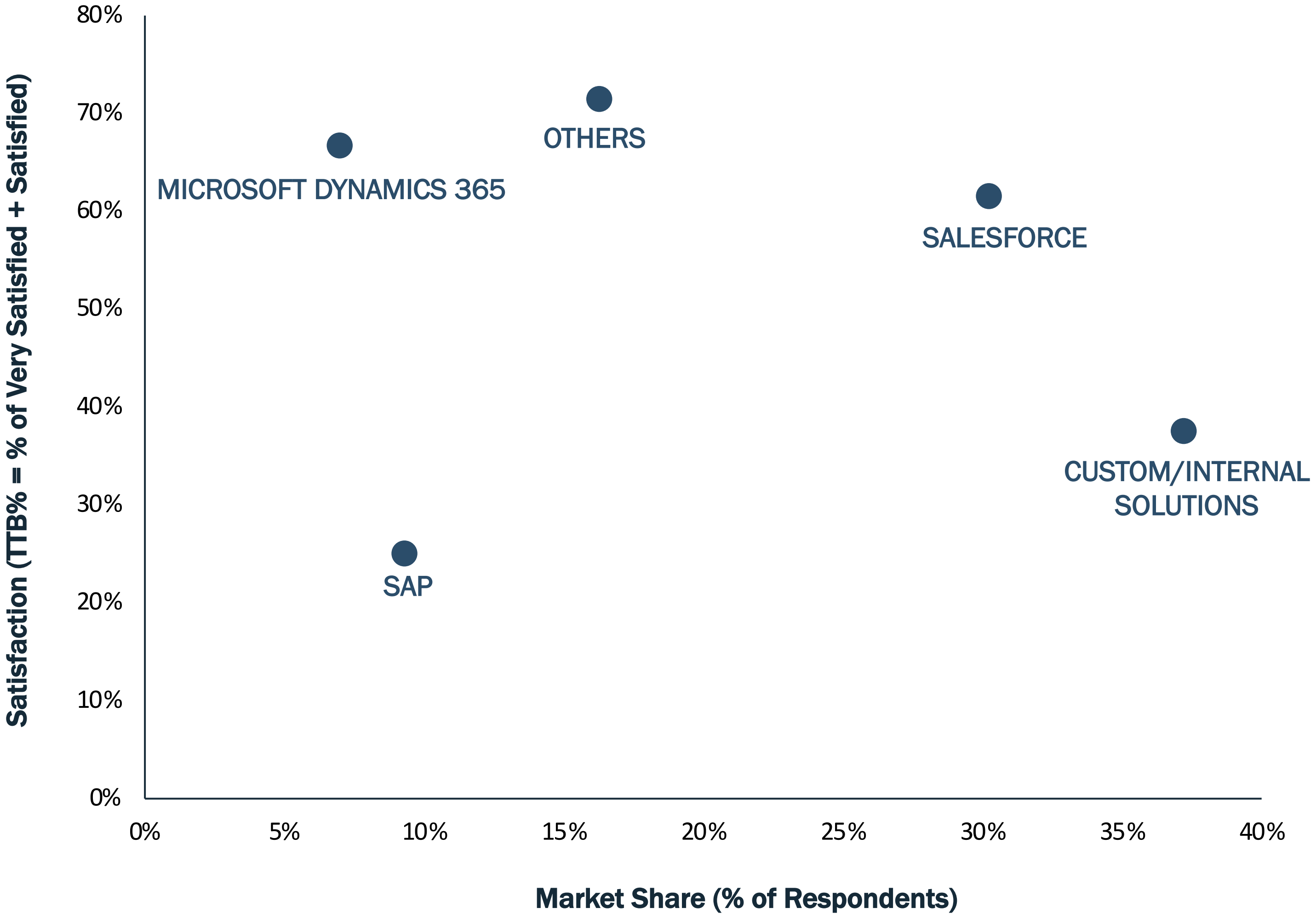
Telephony Platforms – Market Share and Satisfaction

Based on the responses from the executives who participated in the research, **Avaya** enjoys a higher market share while **Cisco** has higher satisfaction among respondents. The market for Telephony Platforms also includes a combination of a variety of other providers

Some of the 'other' providers include:

- Amazon Connect
- Bria
- C-Zentrix
- Enghouse Interactive
- Zoom

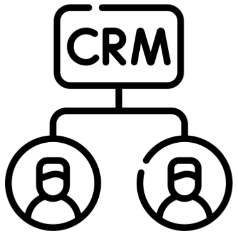
CRM Platforms – Market Share and Satisfaction



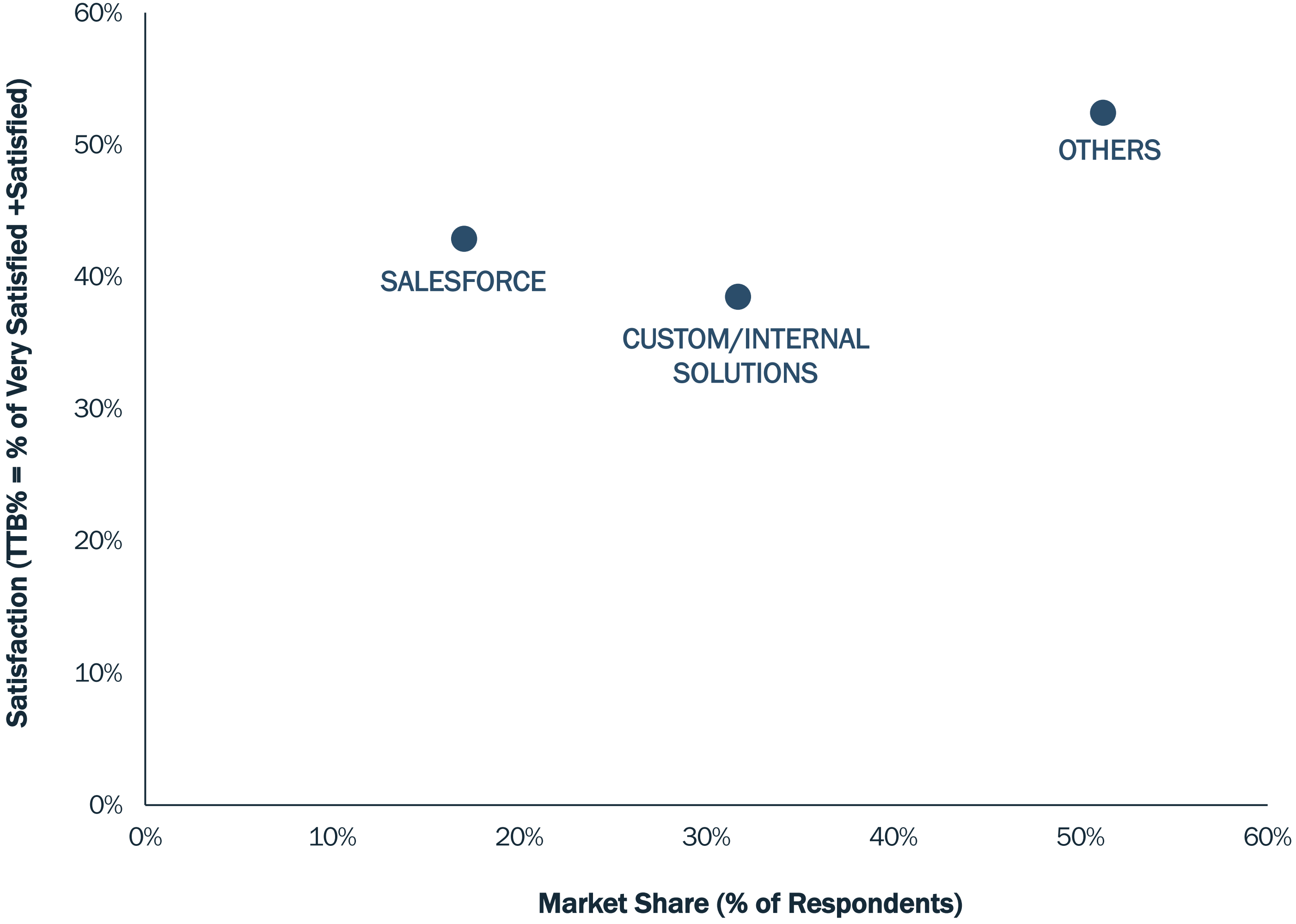
Based on the responses from the executives, **Salesforce emerges** as the provider with a higher market share **and Microsoft Dynamics 365** has higher satisfaction when compared to their peers. However, for the CRM Platforms, custom solutions developed by organizations are also very common

There are 'other providers' as well that provide CRM Platforms for Contact Centers. Some of these include:

- Bitrix24
- HubSpot
- Ramco
- ServiceNow



Knowledge Management Platforms – Market Share and Satisfaction



Based on the responses from executives we can infer the market for Knowledge Management Tools is fragmented where a large proportion of market is made up of combination of a variety of providers

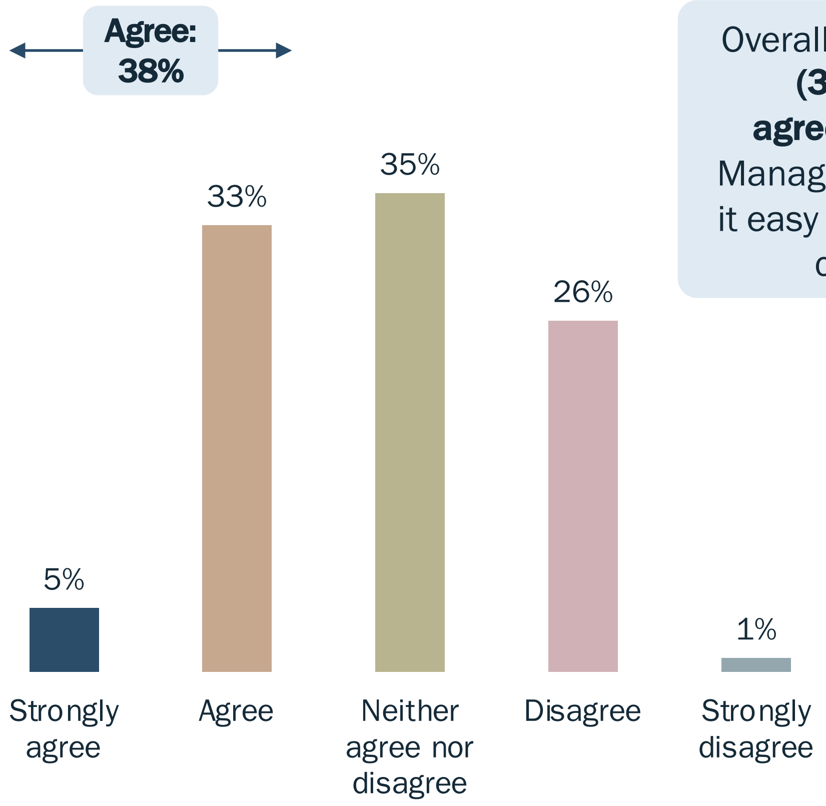
Custom solutions developed by Contact Centers are also very common for Knowledge Management Platforms

Some of the 'other' providers include:

- Confluence
- livepro *COPC Inc. Approved Technology Provider*
- ServiceNow
- shelf

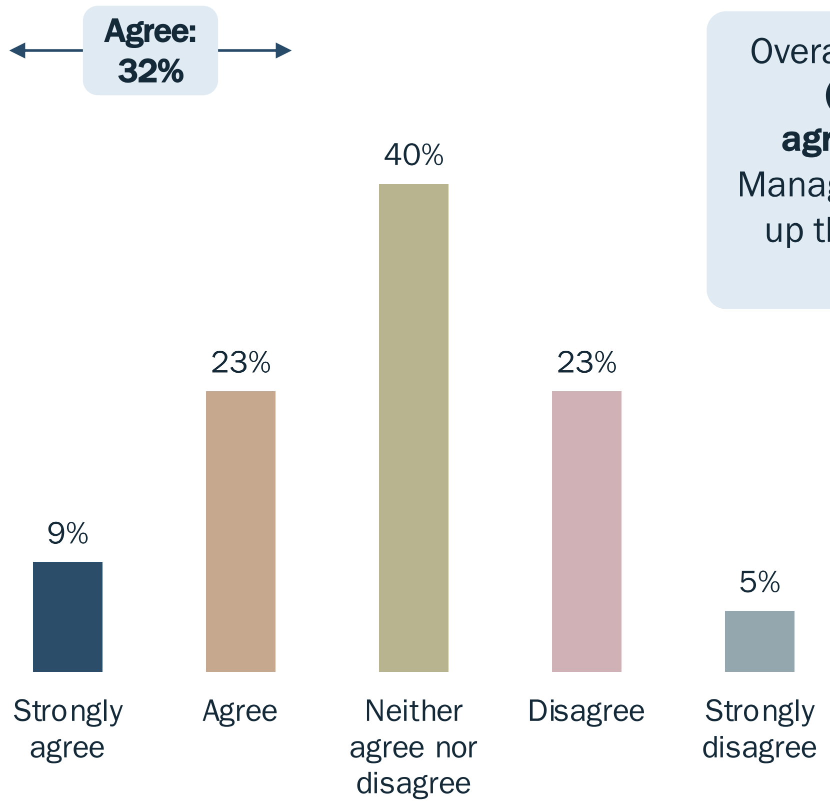
Knowledge Management Platforms – How useful are they?

How much do you agree or disagree with the following statement – 'Your Knowledge Management tool makes it easy for your users to find answers to complex questions'?



Overall, **a low proportion (38%) of executives agree** their Knowledge Management tool makes it easy to find answers to complex questions

How much do you agree or disagree with the following statement – 'Your Knowledge Management tool speeds up the new hire training process'?



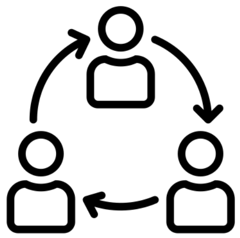
Overall, **a low proportion (32%) of executives agree** their Knowledge Management tool speeds up the new hire training process

Internal Collaboration Platforms – Market Share and Satisfaction

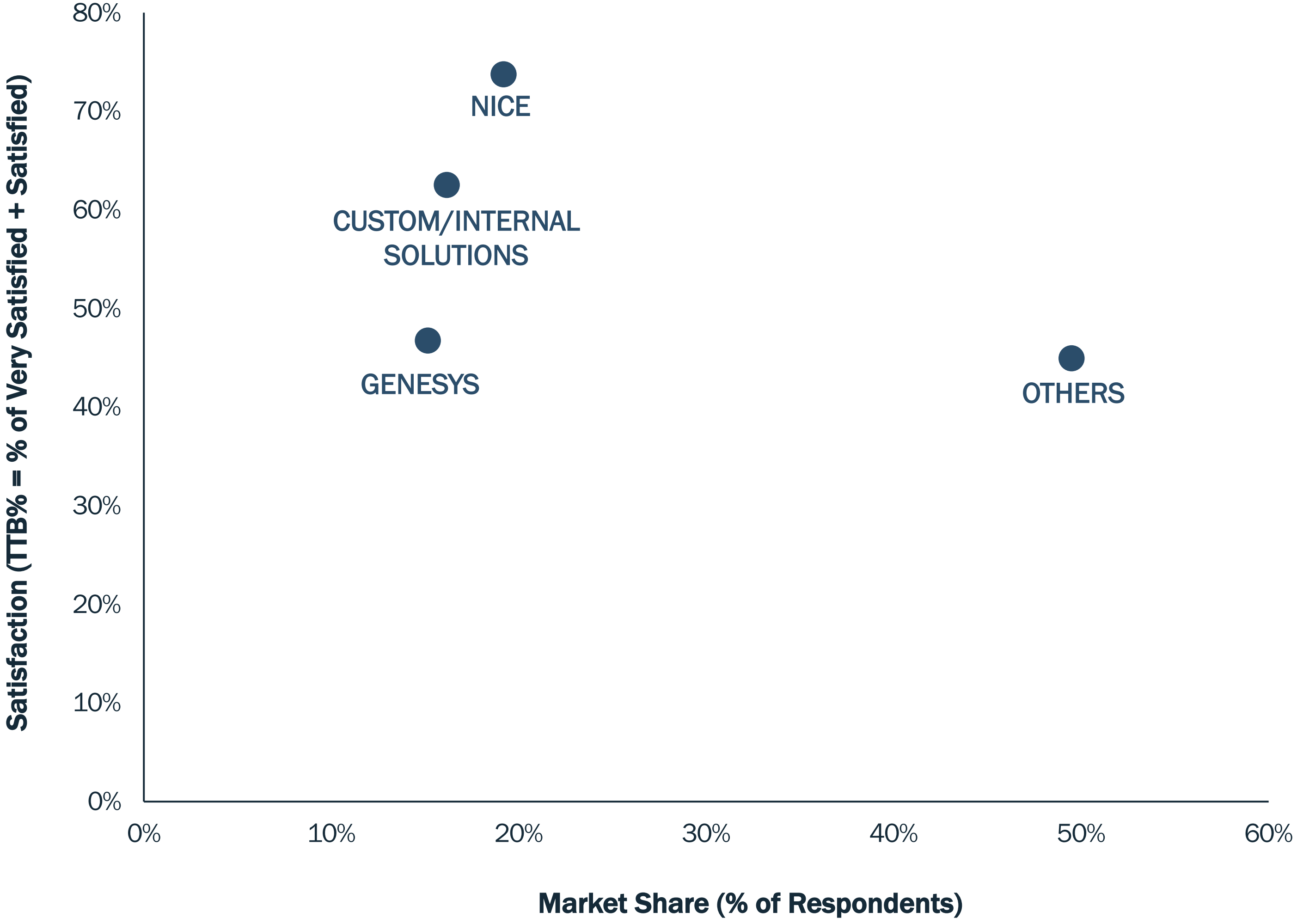
Based on the responses from executives who participated in the research, **Microsoft Teams** emerges with a higher market share when compared to some of the other providers i.e., Zoom and Google Meet/Suite, though satisfaction with all of these providers is in a similar range

There are various other providers for Internal Collaboration Platforms. Some of these include:

- 3CX
- Cisco (Webex)



Quality Assurance Software – Market Share and Satisfaction



NICE has higher satisfaction among the corporate respondents using a QA software

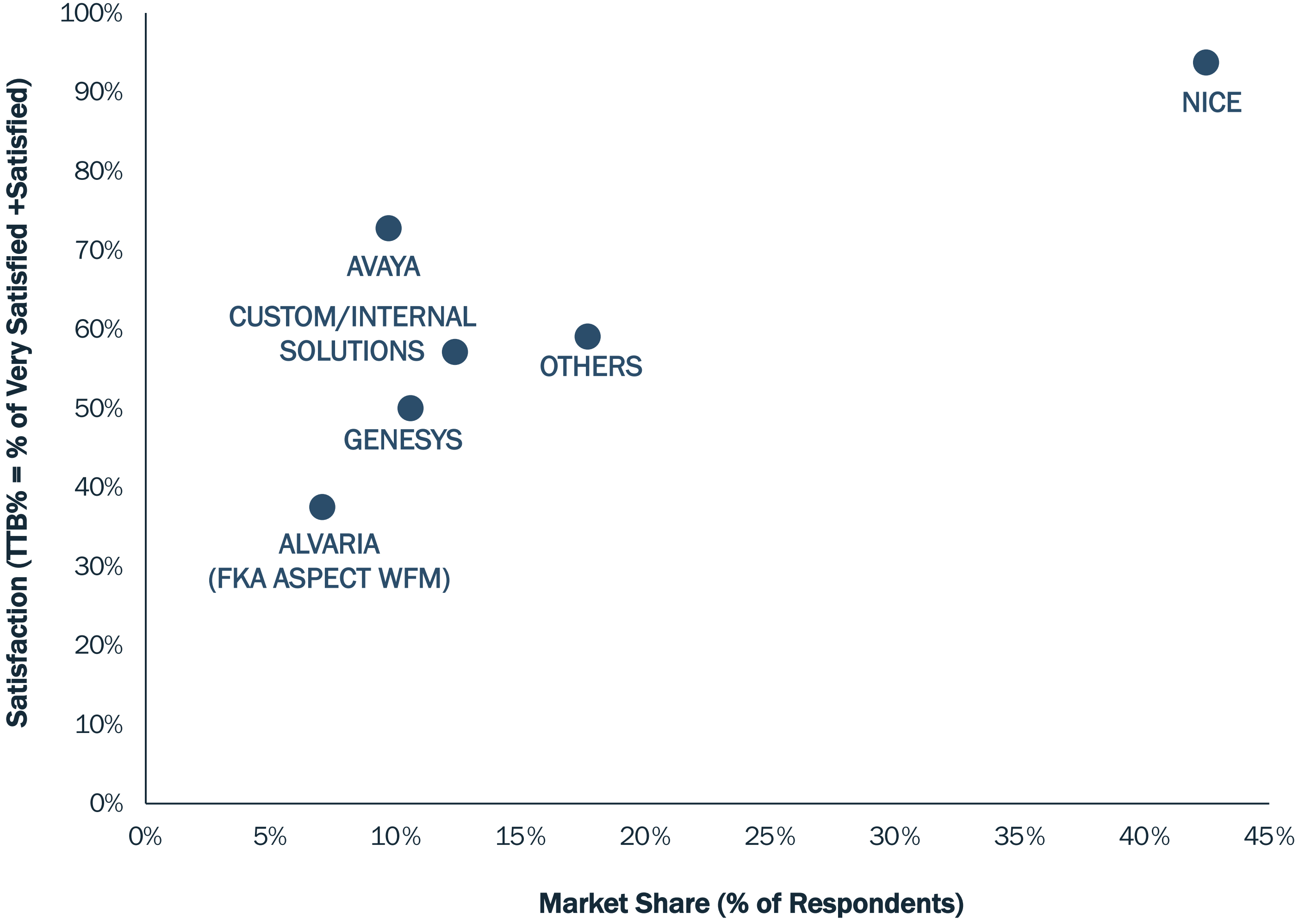
Market for QA Software is fragmented with multiple players leading to no single provider enjoying a sizeable share

Also, 5% of the respondents (essentially from OSPs) stated QA software is often provided by the clients

Some of the 'other' providers include:

- Avaya
- CallMiner
- HigherGround
- Observe.AI
- Playvox
- RevealCX *COPC Inc. Approved Technology Provider*

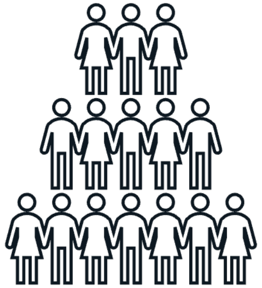
Workforce Management Platforms – Market Share and Satisfaction



Based on the responses from executives, **NICE** emerges as the provider with larger market share and higher satisfaction levels. There is a combination of 'other providers' as well which are used by contact centers

Some of the 'other' providers include:

- Calabrio ONE
- Playvox
- Verint Systems

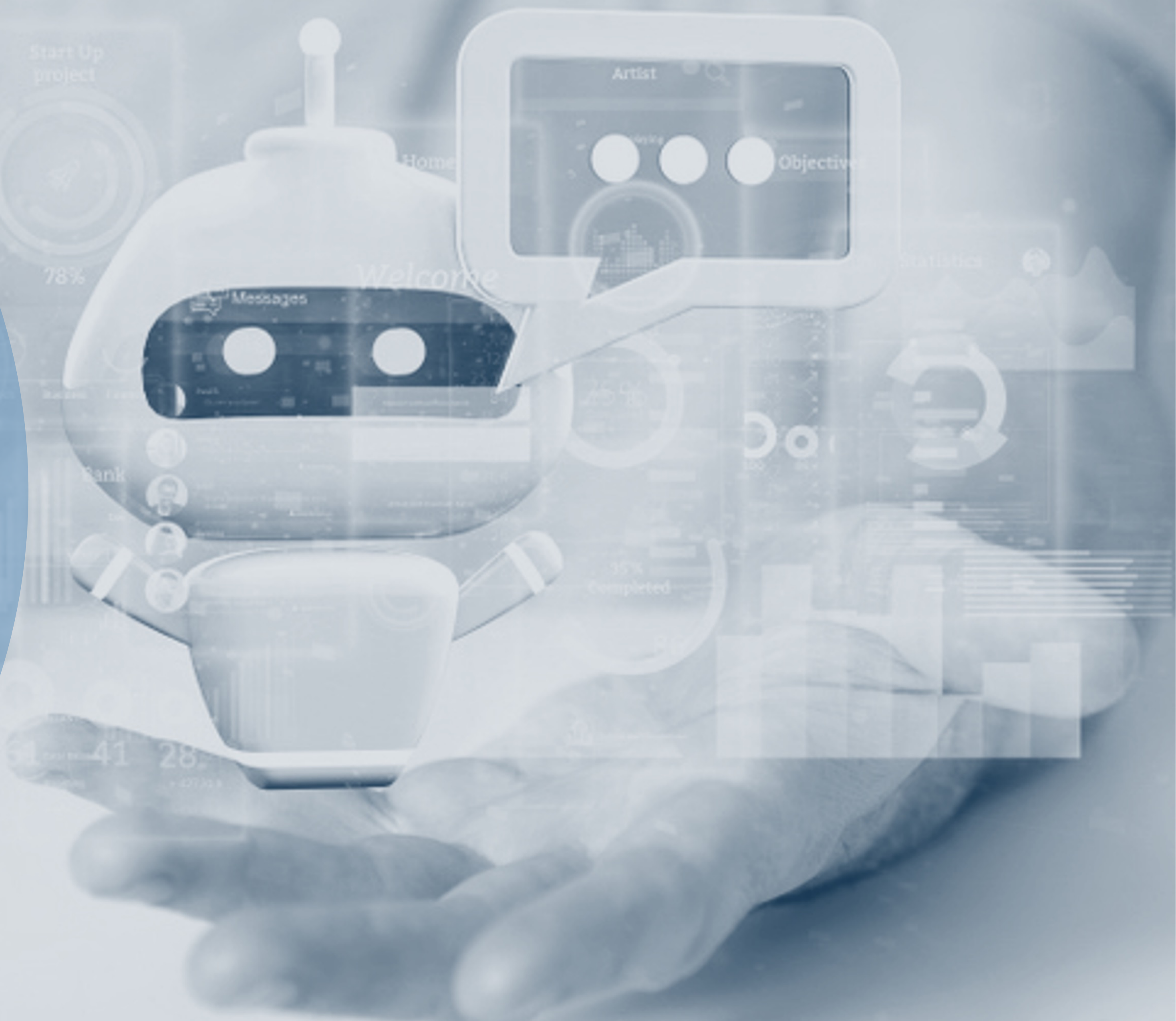


03

Artificial Intelligence (AI)

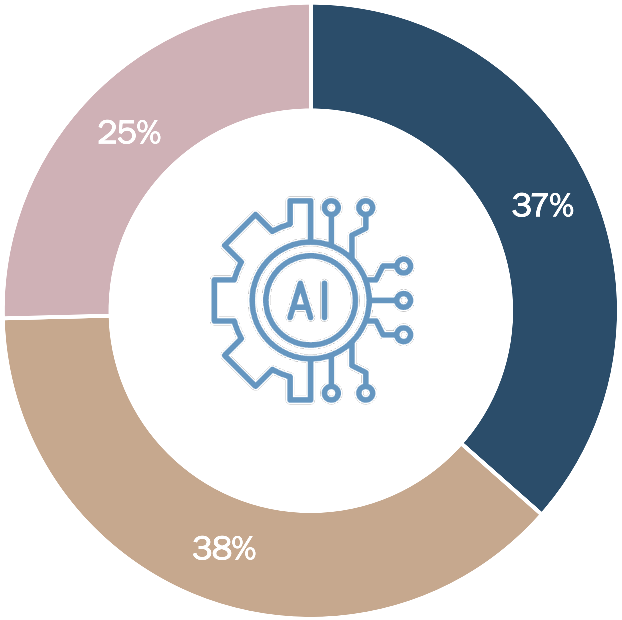
Usage and Applications

Objectives



Usage and Applications of AI at Contact Centers

Does your organization use AI for its customer care/support function?



Only 37% of the executives stated their organizations use AI for customer care/support functions

- Yes
- No, but we have plans to do so
- No

How would you describe the specific application(s) of your AI-powered solutions? (Select all that apply)

83%
Customer-facing

48%
Agent supporting

30%
Data/process management

83% of the respondents stated that AI powered solutions are majorly being applied for customer facing uses, followed by applications to support agents **(48%)**

Objectives for using AI at Contact Centers

Which objectives are you primarily trying to accomplish with your use or future use of AI-powered solutions? (Select all that apply)

87%
Improve customer experience

78%
Reduce costs

52%
Reduce Human Assisted contact volumes

39%
Improve agent performance

13%
Fraud prevention/compliance management

'Improving Customer Experience' emerges as the top objective for implementing AI powered solutions

04

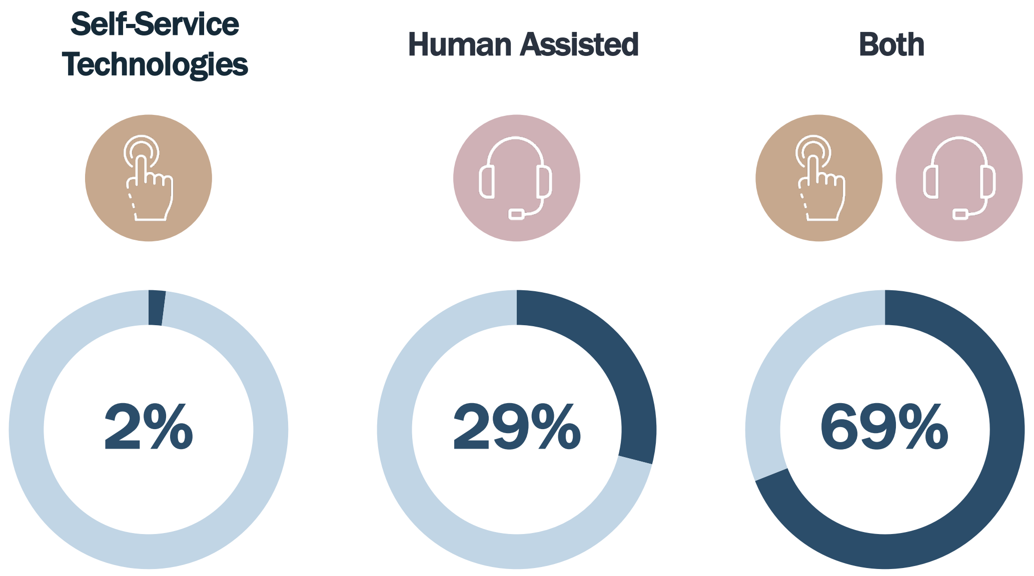
Customer Facing Technologies *Channels for Support*

The Corporate View

The Customer View

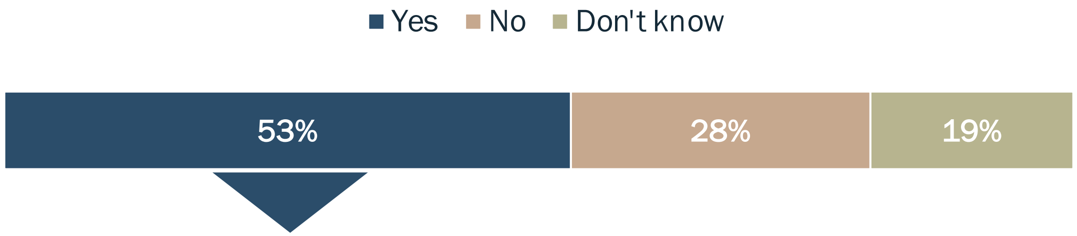
Channels – Offered and Traffic Management

Which of the following channels does your organization offer? (CORPORATE VIEW)

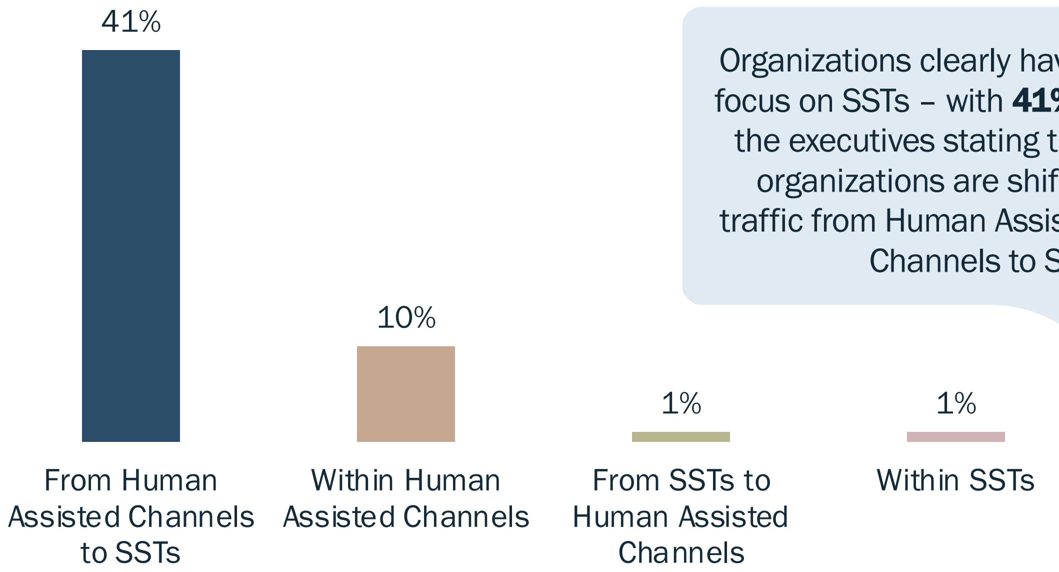


69% of Respondents stated their organizations provide both channels to their customers – Human Assisted and Self-Service Technologies

Is your organization actively trying to shift engagement traffic from one channel to another? (CORPORATE VIEW)



From which channel to which channel?



Organizations clearly have a focus on SSTs – with **41%** of the executives stating their organizations are shifting traffic from Human Assisted Channels to SSTs

Channel Popularity Among Customers

Rank the following channels in terms of popularity among customers, from 1 (most popular among customers) to 7 (least popular among customers) (CORPORATE VIEW)

#1	#2	#3	#4	#5	#6	#7
Phone	Self-service Technology	Webchat	Email	Messaging System	In-person (Face to Face)	Video (e.g., Zoom, Skype etc.)

Based on the responses from executives, data clearly suggests that despite organizations having a focus on offering SSTs and shifting traffic from Human Assisted Channels to SSTs, **phone is still the most popular channel – followed by SSTs**

Change in Channel Popularity

Based on your perception, the popularity among the customers for each of the following channels is increasing or decreasing?
(CORPORATE VIEW)

Based on the responses by executives, the *'net change*'* in the popularity across channels was:

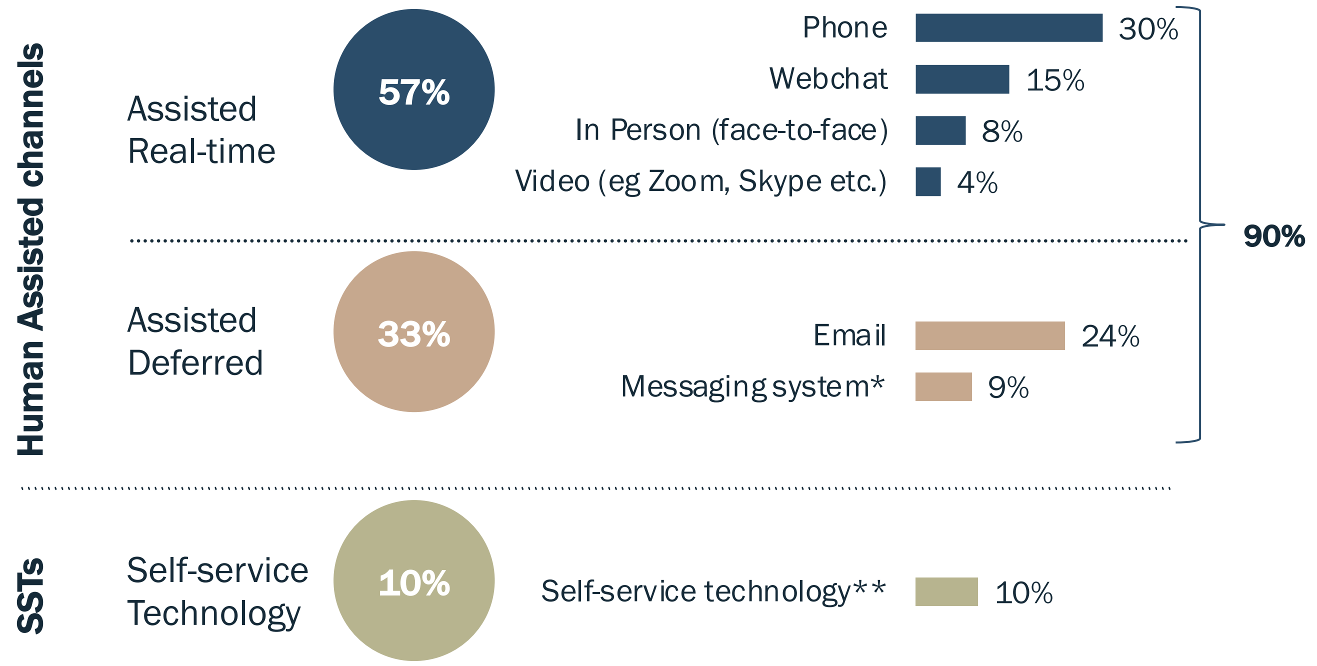
Self-Service Technology	Webchat	Messaging System	Video (e.g., Zoom, Skype etc.)	Phone	Email	In-person (Face to Face)
+70	+55	+27	+8	-6	-9	-54

Executives undoubtedly believe **SSTs have witnessed the higher increase in popularity among customers** as channels for support **– followed by Assisted Real-Time Channel – Webchat**

*Net Change in Channel Popularity = % of respondents reporting an increase in channel popularity – % of respondents reporting a decrease in channel popularity

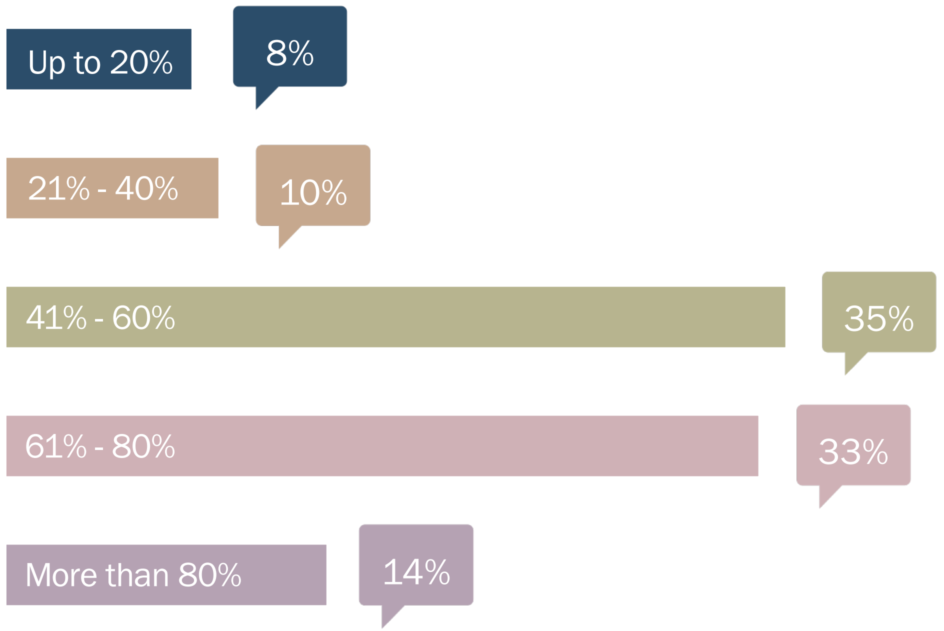
Channel Preferences

If you knew that your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method? (CUSTOMER VIEW)



57% customers **prefer** to interact through **Real-time Human Assisted Channels**
Customer preference for Human Assisted channels is 9x the preference for SSTs

What proportion (%) of customers do you believe would prefer to get a solution 'with the help of a customer service staff' vs 'using a self-service technology'? (CORPORATE VIEW)

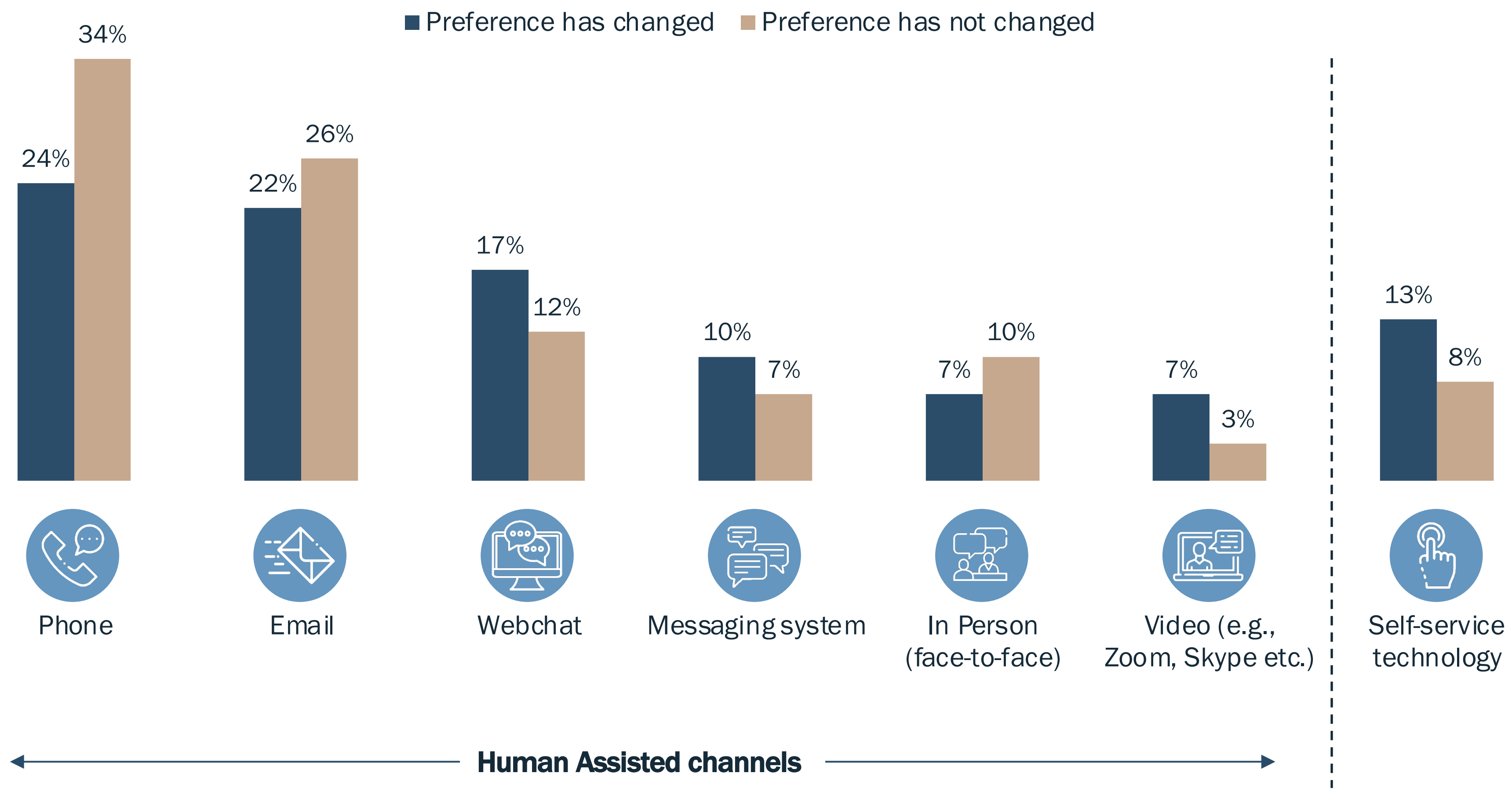


Executives clearly **overestimate customer preference for SSTs**
Only 14% stated that 'more than 80%' of the customers would prefer to use customer service staff over SSTs vs 90% of the customers stating they prefer Human Assisted Channels

* E.g., Facebook Messenger, WeChat, WhatsApp etc. ** E.g., mobile app, online self-service, chatbot etc.

Change in Channel Preferences

What is your preferred contact method? (CUSTOMER VIEW)

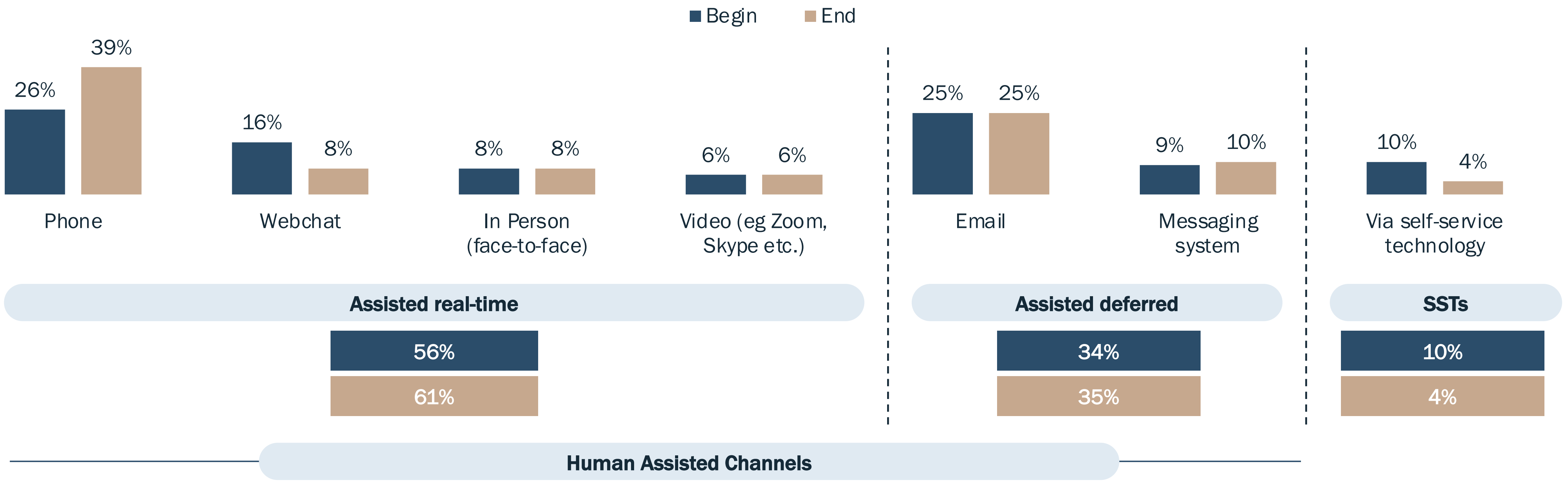


For 47% of customers there has been a change in their preferred channel in recent years

- In general, preference has increased for SSTs (in comparison to Phone, Email and In-person)
- This is also true for other channels – such as Webchat, Messaging system and video

Channel Usage – Multichannel Interactions

In which of the following channels did your engagement begin/end? (CUSTOMER VIEW)

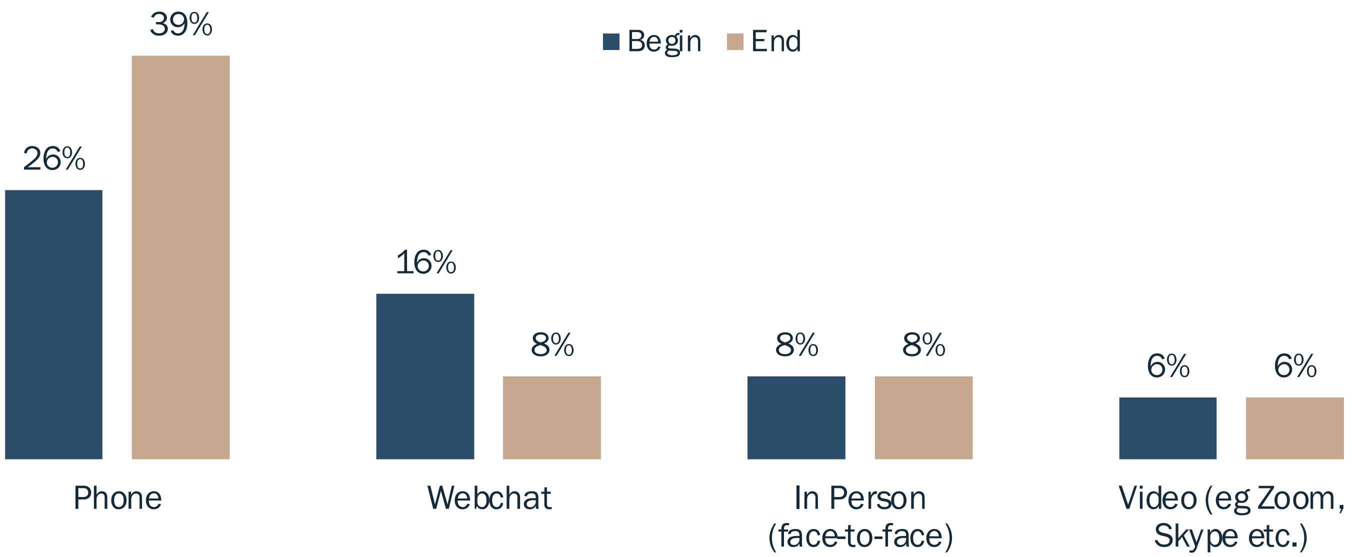


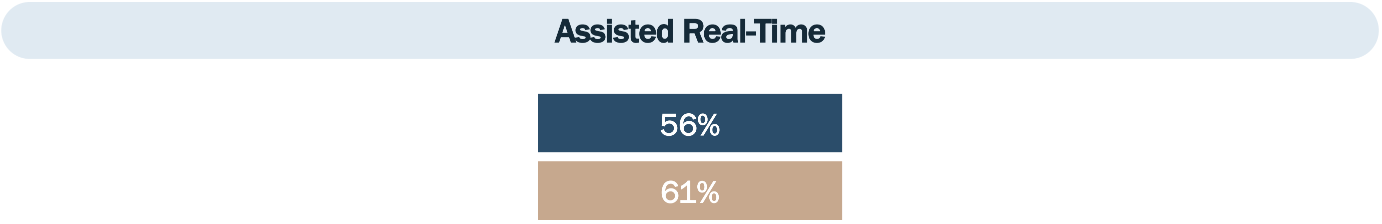
90% of the customers stated their multichannel engagement started with a Human Assisted Channel

However, **96%** of the customers stated their multichannel interactions ended with a Human Assisted Channel

Channel Usage – Multichannel Interactions with Assisted Real-Time Channels

In which of the following channels did your engagement begin/end? (CUSTOMER VIEW)





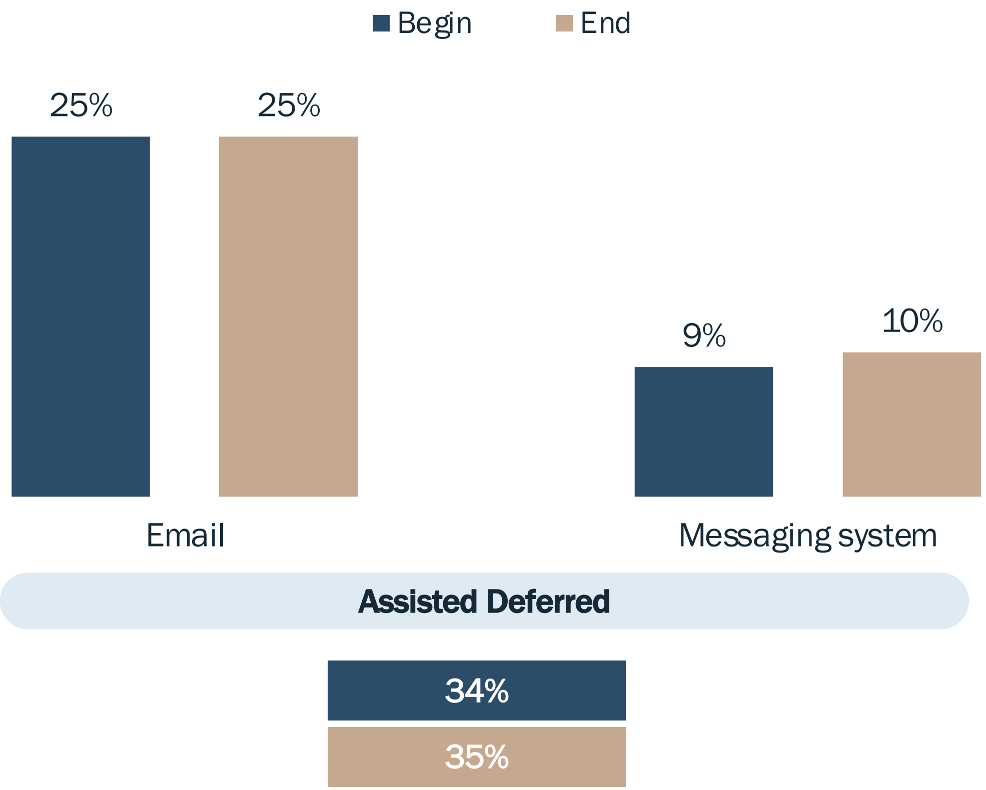
56% of the customers stated their multichannel interactions began with 'Assisted Real-Time' channels

61% stated these ended with an 'Assisted Real-Time' channels

'Phone' had a lower proportion of customers stating that it was the starting channel for interactions vs proportion of customers stating it as the channel through which the multichannel interactions ended

Channel Usage – Multichannel Interactions with Assisted Deferred Channels

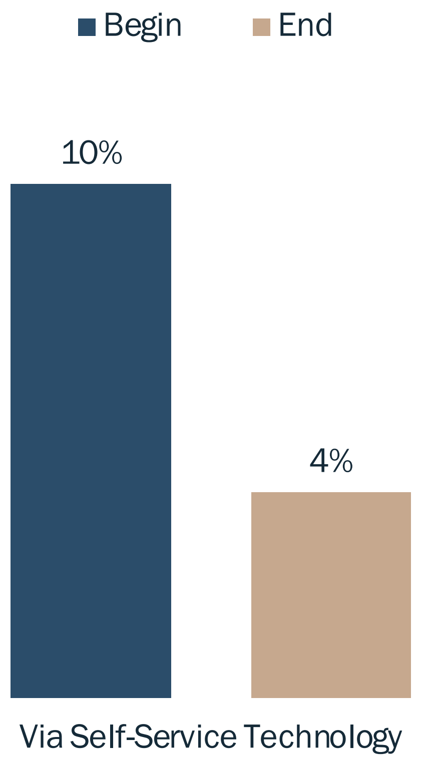
In which of the following channels did your engagement begin/end? (CUSTOMER VIEW)



A very similar proportion of customers stated they began and ended their multichannel interactions with Assisted Deferred Channels

Channel Usage – Multichannel Interactions with Self-Service Technologies

In which of the following channels did your engagement begin/end? (CUSTOMER VIEW)



A smaller proportion of customers stated they began their multichannel interactions with SSTs and an even lower proportion stated they ended these with SSTs

This further confirms the low usage of SSTs among customers – even when customers take multichannel interactions for getting their issues resolved

Channel Usage - Multichannel versus Single Channel Interactions

Did you have to use multiple channels (like phone, email and social media) to resolve this single customer service issue? (CUSTOMER VIEW)

Yes **82%** | No **18%**

Which of the following contact channel(s) did you use to engage with the customer service department?

Multichannel usage

Channel	%
Phone	67%
Email	59%
Messaging system	34%
Webchat	32%
In Person (face-to-face)	20%
Video (e.g., Zoom, Skype etc.)	12%
Self-service technology	24%

Single channel usage

Channel	%
Phone	37%
Email	27%
Webchat	20%
In Person (face-to-face)	6%
Messaging system	4%
Video (e.g., Zoom, Skype etc.)	0%
Self-service technology	6%

Phone is the most used channel across single and multichannel users. **The next most used channels** across single and multichannel journeys are 'Email and Webchat' and 'Email and Messaging systems' respectively

Impact of COVID–19: A Shift in Favor of 'Non-voice Channels'

Do you feel the COVID-19 pandemic and any associated restrictions have changed the way that you interact with organizations? (CUSTOMER VIEW)

Yes **47%** | Not sure **17%** | No **36%**

Have these changes been positive for you?

52% Yes

28% No

20% Don't know

The pandemic and the associated restrictions have clearly had an impact on the way customers work and interact with organizations with **47% of respondents** stating so. **52% of these believed the changes were positive**

Channel preference for Webchat, messaging system video and SSTs saw an increase among customers who stated that **pandemic has changed the way they interact with organizations**

What is your preferred contact method?

	Preference has changed	Preference has not changed
Phone	25%	38%
Email	24%	25%
Webchat	17%	7%
Messaging system	11%	9%
In person (face-to-face)	7%	8%
Video	4%	3%
Via self-service technology	12%	10%

05

Technology touches every aspect of ‘Contact Center Operations’

'Technology' is an integral part of Contact Center Operations (1/4)

Here are some more insights from our research which highlight how technology impacts the various aspects of contact center operations

Strategy

52% of the respondents stated their organizations analyse aspects related to 'new technologies' when developing annual business plans

55% of the respondents stated their **strategic objectives over the next 24 months include 'new technologies'** – it emerged as the fourth most highlighted strategic objective

Organizations that outsource, highlight 'technology capability' of the OSPs as an important reason to outsource – it emerged as the third most common reason to outsource

39% of the respondents stated 'integrating multiple channels' is a challenge their organizations are faced with

'Technology' is an integral part of Contact Center Operations (2/4)

Here are some more insights from our research which highlight how technology impacts the various aspects of contact center operations

Work at Home (WAH)

77% of the respondents stated they faced a 'technology related' challenge in managing their WAH staff:

faced 'connectivity' related issues

faced 'data privacy' issues

faced 'hardware' issues

faced 'software' related issues

‘Technology’ is an integral part of Contact Center Operations (3/4)

Channels for Customer Care

When asked “What do Execs feel organizations should do differently to help customers avoid having to contact customer service to resolve an issue?”

74%

believed organizations should ‘develop more self-service solutions’

59%

believed their organizations should ‘deploy more proactive solutions’

41% of respondents stated they are shifting traffic from Human Assisted Channels to SSTs

'Technology' is an integral part of Contact Center Operations (4/4)

Impact of COVID-19

1

Increased focus on self-service technologies (SSTs)

2

Increased use of platforms for data security, network security, shift to cloud-based platforms etc.

3

The whole shift to WAH– there is an increased need for technologies to support seamless remote working models

4

Changes in recruitment, training and coaching practices – with shift from in-center to virtual models

06

Conclusion

Conclusion

Technologies for Contact Centers include all platforms, solutions and tools that help customer facing staff and departments operate efficiently and effectively through automation, customer relationship management, analysing customer behaviour and performance metrics being measured. The primary objectives for deploying these technologies include improving customer experience (CX) and reducing costs. Eventually, organizations also aim at deflecting traffic from Human Assisted channels to SSTs – as they believe this is in line with the primary objectives of improving CX and reducing costs.

This report aims to provide not just a view of the current adoption levels of various technologies to support operations at Contact Centers but also how technology touches all the aspects of their operations – designing strategies, people management, managing the impact of pandemic, channel management strategies etc. It also captures comparisons with customer views to help identify gaps that exist between what customers prefer and what organizations believe customers prefer.

01

Call Recording, tools for WFM and Telephony Platforms are the technologies with higher usage currently, among the respondent organizations.

On customer facing technologies’ front – organizations have a clear focus on further developing SSTs and actually shifting traffic from Human Assisted Channels to SSTs, with 41% of the respondents stating so.

02

Organizations are looking at AI for customer facing applications. The primary motives are to ‘improve CX’, and ‘reduce costs.’

Organizations are also looking at deploying AI based solutions such as ‘Chatbots’ and ‘Speech Analytics/Natural Language Processing/Speech Analysis’, in near future, for their customer care operations.

03

Organizations have a clear focus on increasing support through SSTs. Some efforts in the direction include developing more self-service solutions, shifting traffic from Human Assisted Channels to SSTs etc.

There is enough data that establishes the disconnect between the customer preference for Human Assisted Channels over SSTs and organizations’ understanding of the same.

While it is important for organizations to expand servicing through SSTs, it should not be forced on customers.

07

Approved Technology Providers

Approved Technology Providers (ATP)

Leveraging advanced technology to help deliver the best customer experience is more important than ever. Our ATP program recognizes technology solutions proven to deliver real business value by helping companies deploy the best practices found in the COPC CX Standard. Choosing the right technology solution provider to support your customers and customer care team can be confusing and stressful. COPC Inc. can ease the process by helping you find solutions we have evaluated first-hand and seen operating successfully in real CX environments.

The following Technology Providers have met the rigorous benchmarks needed to become an Approved Technology Provider.

livepro are experts in Customer Experience Knowledge Management and are passionate about improving customer experience. Since 2001 livepro have been delivering a powerful knowledge management solution to customer service centres in all major industries

www.livepro.com.au

AmplifAI is an innovative AI-based platform that empowers organizations to develop employees to their fullest potential such that they deliver best-in-class customer experiences and products to their customers

www.amplifai.com

RevealCX is a Software as a Service quality monitoring solution that aligns quality results with the customer experience, empowering organizations to immediately uncover root causes impacting performance

www.nexcomglobal.com

08

Respondent Profile

Respondent Profile – Corporate

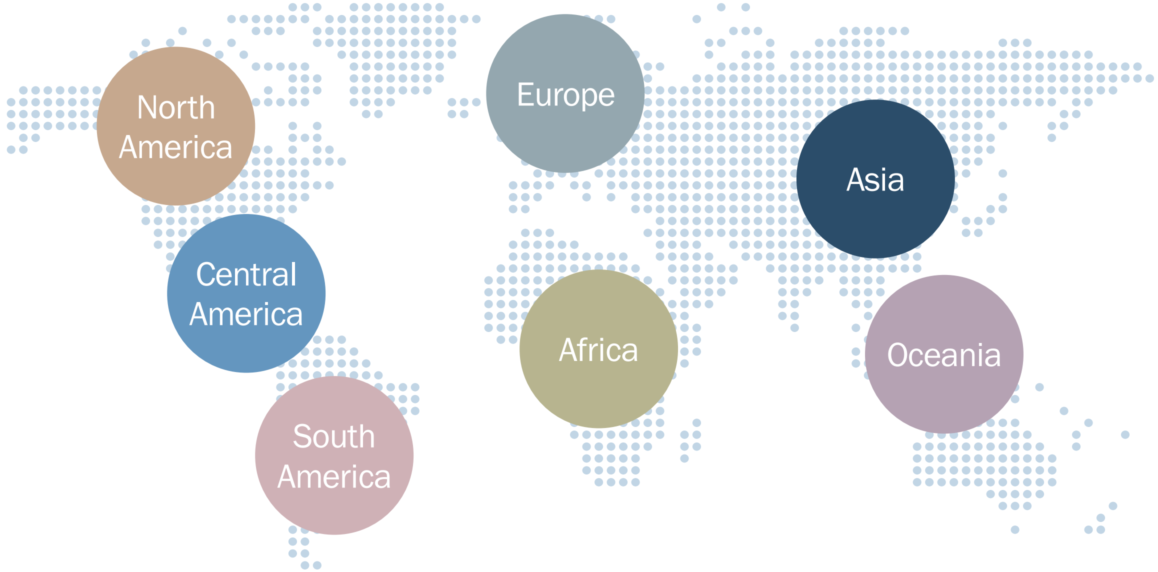
Survey respondents included representatives from both In-house contact centers and OSPs

Industries represented include:

- Automotive
- Consumer Electronics, Technology and Software
- Education, Healthcare and Government Services
- Insurance, Legal and Financial Services
- Outsourcing
- Retail
- Supplier, Business and Professional Services
- Telecom and Utilities
- Transportation and Logistics

+ **'other'**

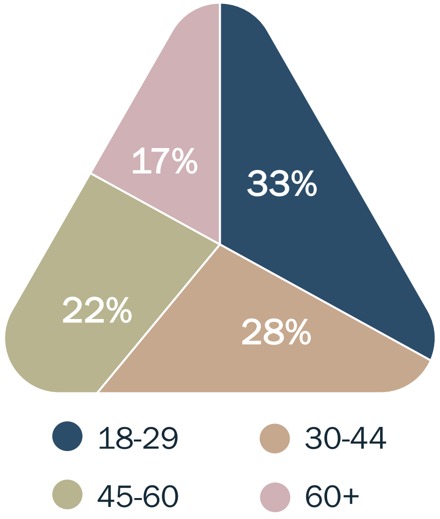
Contact Centers' locations for respondent organizations include:



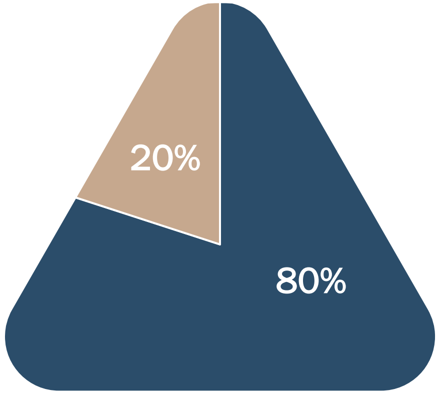
'Voice of Customer' – Respondent Profile and Methodology

This research has been conducted independently by COPC Inc's CX Research Team. We surveyed more than 4,500 consumers across Australia, Malaysia, the UK and the USA. These respondents were recruited through SurveyMonkey panels which provide access to 144+ million people across 130+ countries

Respondents range from 18 to above 60 years

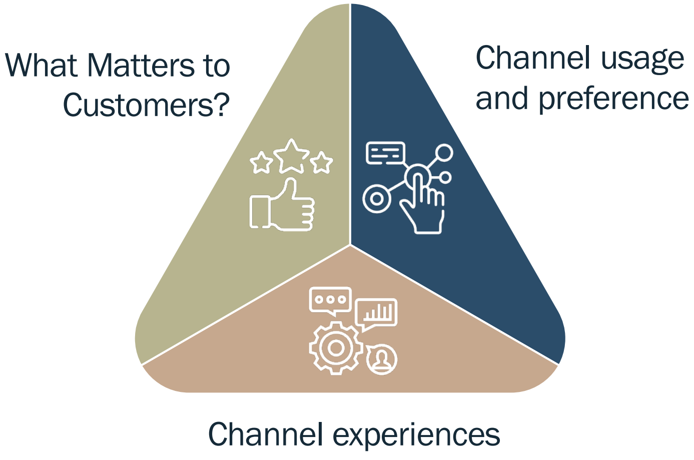


14+ industries are represented



80% of Respondents provided feedback for the following industries: Telecommunications, Banking, Utilities, Insurance, Government, Airlines, or Consumer Electronics

Feedback was gathered on a range of themes including



Respondents were asked about their experiences interacting with organizations across a range of channels including digital assisted, phone, email, face-to-face, webchat and more

Corporate Segment - Methodology

01

Structured quantitative questionnaires were used to collect input from corporate respondents

02

COPC Inc. conducted the surveys with executives engaged in customer experience roles across geographies

03

The surveys were live from September 01 to December 18, 2021
More than 900 executives participated in the surveys

Who We Are

Who We Are

COPC Inc. provides consulting, training, certification and research for operations that support the customer experience. The company created the COPC Standards, a collection of performance management systems for call center operations, customer experience management, vendor management, and procurement. Founded in 1996, COPC Inc. began by helping call centers improve their performance. Today, the company is an innovative global leader that empowers organizations to optimize operations for the delivery of a superior service journey. COPC Inc. is headquartered in Winter Park, FL, U.S. and with operations in Europe, Middle East, Africa, Asia Pacific, Latin America, India and Japan.

To learn more about COPC Inc., visit www.copc.com.