The Future of Contact Centers

By adding new SMAC Stack technologies, organizations can address customer queries and issues in consistent ways across multiple channels – enhancing customer loyalty and operational performance.

Executive Summary
Contact centers have evolved from rudimentary stand-alone operations deployed over a single channel to multi-channel, multi-function units for handling customer relationship management. Today’s contact centers take care of inbound and outbound calls, e-mail, Web inquiries and chat – globally, and across multiple business dimensions.

To keep up with this pace, organizations must infuse their contact centers with robust SMAC Stack™ (social, mobile, analytics and cloud) technologies that help extend businesses’ agility by addressing ever-changing customer preferences and the need for multi-channel consistency. Accordingly, future contact centers must provide:

- **Cloud hosting**: The ability to deliver communications as a service.
- **Social media capabilities**: The access and capabilities needed to resolve queries originating from social media.
- **Ubiquitous smartphone access**: The tools needed to equip contact center agents with real-time contextual information.
- **Video enablement**: The capability to engage in face-to-face video-linked calls.
- **Virtual contact centers**: SIP-enabled contact centers to help reduce cost and complexity.
- **Advanced analytics**: Tools that analyze volumes of unstructured data and deliver crucial insights into customer behavior.

Contact Center Trends
As service moves beyond phone calls to other communication channels – including e-mail, Web chat and social media – businesses and government agencies need to explore ways to make it easy for customers to find answers and resolve problems. (See Figure 1, page 2). This means ensuring that the data and context from the initial contact carries over to subsequent channels, which helps reduce customer time and effort, improve customer interactions and enable the business to successfully tailor the customer journey. The goal is to provide a consistent, high-quality customer experience at every touch point – regardless of how and where a customer chooses to interact with an organization.

Preferred Channels of Communication
As shown in Figure 2 (page 2), while consumers have more ways than ever to communicate with contact centers, they have clear preferences:

- Overall, customers still favor phone calls as their preferred mode of contact – choosing that channel over social media, Web chat and text, as well as other options.
Contact Center Services: Spanning Channels, Countries and Business Areas

<table>
<thead>
<tr>
<th>Mode Used</th>
<th>U.S.</th>
<th>Canada</th>
<th>Mexico</th>
<th>France</th>
<th>Germany</th>
<th>Italy</th>
<th>UK</th>
<th>Netherlands</th>
<th>Australia</th>
<th>India</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speaking With a “Real” Person on the Phone</td>
<td>90%</td>
<td>89%</td>
<td>91%</td>
<td>79%</td>
<td>80%</td>
<td>84%</td>
<td>90%</td>
<td>71%</td>
<td>90%</td>
<td>92%</td>
</tr>
<tr>
<td>Face to Face</td>
<td>75%</td>
<td>80%</td>
<td>83%</td>
<td>78%</td>
<td>57%</td>
<td>76%</td>
<td>79%</td>
<td>72%</td>
<td>85%</td>
<td>87%</td>
</tr>
<tr>
<td>Company Web Site or E-mail</td>
<td>67%</td>
<td>65%</td>
<td>71%</td>
<td>71%</td>
<td>731%</td>
<td>74%</td>
<td>72%</td>
<td>60%</td>
<td>68%</td>
<td>81%</td>
</tr>
<tr>
<td>Online Chat/ Instant Messaging</td>
<td>47%</td>
<td>38%</td>
<td>72%</td>
<td>54%</td>
<td>36%</td>
<td>54%</td>
<td>38%</td>
<td>30%</td>
<td>33%</td>
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<tr>
<td>Text Message</td>
<td>22%</td>
<td>17%</td>
<td>39%</td>
<td>22%</td>
<td>17%</td>
<td>48%</td>
<td>26%</td>
<td>11%</td>
<td>22%</td>
<td>65%</td>
</tr>
<tr>
<td>Social Networking Site</td>
<td>22%</td>
<td>20%</td>
<td>41%</td>
<td>21%</td>
<td>21%</td>
<td>34%</td>
<td>19%</td>
<td>17%</td>
<td>19%</td>
<td>59%</td>
</tr>
<tr>
<td>Using an Automated Voice Response System on the Phone</td>
<td>20%</td>
<td>13%</td>
<td>36%</td>
<td>17%</td>
<td>14%</td>
<td>27%</td>
<td>10%</td>
<td>6%</td>
<td>10%</td>
<td>49%</td>
</tr>
</tbody>
</table>

Source: American Express 2011 Global Customer Service Barometer Report

E-mail is the second most favored method – even among older generations.

Web chat, Web self-service, text messaging, social media and video conferencing appeal more strongly to younger generations.

The Increasing Use of Social Media

Social platforms are quickly becoming an important mode of interaction, and customers increasingly look to social media to interact with enterprises. Rather than having to obediently wait on help lines or for e-mail support, customers now have a voice on social channels, and want to be heard by a mass audience – sometimes creating a viral effect.

Smartphone Adoption

With the explosion of smartphone devices and mobile apps, more and more customers are demanding access to customer service through these channels.

Multi-Channel Enablement

Younger customers expect organizations to respond to their queries through a variety of channels – traditional phones, the Web, e-mail, social media and smartphones, for example. (See Figure 3, page 3). They also expect quick access to an agent, and a consistent customer service experience across each of these touchpoints.

Communication Preferences

![Communication Preferences Graph](image)
Business Challenges

While a unified customer view and role-based desktop activities are prerequisites for any contact center looking to maintain a sufficient level of customer service, best-in-class contact centers are being driven by service-altering mega trends that focus squarely on enhancing the customer experience. Yet along with these activities come challenges in several forms (see Figure 4).

The Contact Center 2.0

The strategic value of contact centers is growing—reflected in the “traffic jam” caused by cross-channel customer interactions over the last few years. Driving this trend is companies’ increasing focus on customer retention and customer win-back activities, which complement traditional customer acquisition efforts. These include:

Communication-As-A-Service

This model uses the functionality of the cloud to provide a flexible, efficient customer-service solution built on lower-cost, subscription-based pricing. Moving support and upgrades for complex contact center solutions to the cloud allows companies to adjust to the changing environment and pay only for what they need.

Challenges Come in Several Forms

The economic downturn has created a dip in spending and enterprises now have smaller IT budgets. Likewise, consumer confidence has declined along with consumer spending.

- Potential increase in agent load because of increase in number of transactions, along with increase in number of customers.
- Lack of tailored services based on the customer’s historical data, and inability to streamline the interaction.
- Lack of channel integration for critical customer interactions, including voice, e-mail, chat interaction and collaboration.
- No customer segmentation for increasing customers’ experience and familiarity.
- Inability to function and provide support to the contact center (addition of skills or vectors) without turning to the IT department or vendors.
- Limited self-service options in the IVR, which leads to large number of calls being transferred to the agent.
- No integrated channel service availability or “One Customer View” for agent.
- Lack of understanding of reasons for initiating contact from customer.
- Lack of contact center metrics and reporting to check operational effectiveness.

Source: Base 157: Global Decision Makers Aberdeen Report 2012
Figure 3

The Growth of Cross-Channel Communications

![Graph showing the growth of cross-channel communications](image)
Ubiquitous Smartphones
With the explosive use of smartphones, integrating mobility with existing call-center capabilities is now imperative (see Figure 5 above). Enterprises that fail to support Web-based customer service (like smartphone apps on mobile devices) will pay the consequences of fewer customers and lost revenue. Such devices provide agents with real-time contextual information, including details about a customer’s location and transactional data that has been stored in the smartphone (e.g., profile information, account information, service history, etc.). One example is a mobile app for a car insurance company. If a customer has been in a car accident, he can take a picture of the incident at the scene and begin filing a claim on site, from his device. The claim gets routed to an agent who can come to the accident site and settle the claim on the spot. Providing mobile integration with contact centers can help enterprises enhance the customer experience, reduce operational costs (claims that are settled immediately end up being cheaper to resolve than those that linger on an agent’s desk), generate brand loyalty and deliver competitive advantage.

The Social Contact Center
Social media provides an excellent way to listen to and gain insight from customers (see Figure 6, next page). Given its immense reach, social media has also evolved into a useful medium for disbursing information and inducing customer advocacy. This can take different forms:

- Conversations and/or actions that are visible in the enterprise or in the public domain, monitored by contact center data stewards.
- Integrated enterprise social networks or Facebook/LinkedIn profiles of the employee/customer to enable better insight and engagement when customers call the contact center.
- Crowd services (the customer-helps-customer model), wherein blogs, wikis and social networking sites are used to provide customer service and extend the reach of the network.
- Community management and direct communication to a group of customers or a community in real time.

With a social contact center, social content is tied to the contact record – enabling contact center agents to join customer conversations on social sites and integrate those discussions into an overall, multichannel customer-engagement process.

Technological Advances
Today’s contact centers reflect numerous technological advances that are transforming how companies and their customers connect, interact and respond (see Figure 7, next page).
• **Virtual Call Centers:** These centers do away with the need to have all agents in one physical location – instead combining the contact center infrastructure and geographically dispersed agents into a single, virtual entity.

• **IP-Based Session Initiation Protocol (SIP):** SIP is transforming the way contact centers operate by integrating the phone with the computer and doing away with the landline phone.

  > SIP offers significant cost savings by eliminating the need for costly hardware, PSTNs, expensive ISDN lines and the basic desk phone.
  > It is easier to install and manage than legacy CTI applications.
  > SIP can easily scale operations without the need to add additional hardware through SIP trunking.

### Advancing How Companies and Customers Connect, Interact and Respond

- **Manage queries across multiple channels like e-mail, chat, Web, social, phone, etc.**
- **Reliable platform with business continuity; Suite of applications managing home agents**
- **Elastic service provision; open & scalable architecture**
- **Variable usage-based pricing reflecting productive work & performance**

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**Figure 6**

**Figure 7**
It enables effective and simplified call routing by eliminating hardware-based routing.

By making everyone a virtual agent, SIP helps increase customer satisfaction by ensuring that not just the agent, but anyone in the enterprise, can interact with the customer.

- **Intelligent Call Back**: This option helps address one of the biggest customer service issues: long wait times and abandoned calls. Intelligent call back technology provides the ability to schedule call backs to customers at their convenience. Intelligence is derived from the ability to map entire phone menus, skip IVRs and directly arrive at the preferred consumer choice. It also provides the flexibility for customers to choose the model of call back – voice, Web or mobile.

- **Voice Biometrics**: While voice is a much stronger form of authentication than traditional security questions and account information, call centers today want to use voice biometrics to shorten calls by verifying a customer’s identity through the unique patterns in their voice. This can help prevent fraud and identity theft.

- **Video Assist via WebRTC**: Browser-based voice and video support that provides real-time communication is one of the biggest disrupters of call center technology. WebRTC allows Internet users to reach the agent without having to leave their Web or mobile application. This will permit the agent to be “context-aware” of the exact customer issue and provide speedy resolution. The increasing availability of high-speed Internet connections will be a boon for WebRTC. By relying on the Internet for customer interactions, WebRTC will:
  - Eliminate the need to provide toll-free numbers – drastically reducing the complexity and cost of running contact centers.
  - Maximize agent utilization by combining toll-free support and WebRTC.
  - Enable faster first-call resolution by providing context-sensitive data to agents.

- **Multichannel Agility**: Contact channels other than the phone – e-mail, Web self-service, chat and other online routes – now account for a large portion of customer service engagements. Companies need to identify and match agents with certain skills (e.g., written communications) and steer them to the most appropriate channel (e.g., chat, social). These types of skills also play a critical role when matching agents to a specific customer.

  The goal here is to allow customers to get in, get out and get on with their business quickly through any medium. In this case, when they enter the contact center, a well-designed multichannel environment ensures that their information is already available – an advantage that can lead to a better customer experience and eliminate call deflection.

**Advanced Analytics**

Advanced analytics is the next megatrend that contact centers must adopt to better understand customer needs and behaviors. These capabilities go beyond conventional business intelligence and KPIs to include the ability to assess customer sentiments across channels (see Figure 8 below).

- **Data analytics**: Contact centers collect a huge amount of structured (from systems of record) and unstructured data (from social channels) – capturing critical customer information on preferences, loyalty, customer

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**Advanced Analytics: Assessing Customer Sentiments Across Channels**

![Multichannel Customer Sentiments Diagram](image-url)
value, service issues, etc. Data from multiple channels, such as voice, the Web, mobile and social media, is tracked and stored separately. Traditional contact center analytical tools have focused on agent performance. With the advent of Big Data and advanced analytics, enterprises can transform their contact centers into customer insight centers. Analyzing growing volumes of unstructured data in concert with structured formats can help companies to better understand, predict and serve today’s customers.

- **Speech analytics with dynamic emotion analysis:** Call centers should proactively capture customer-service feedback to adapt to changing customer preferences and expectations. For this, advanced analytical tools mine and analyze audio data (using keyword identifications, data mining, call recording and highly advanced sentiment analysis) to detect things like emotion and stress in a customer’s voice and determine the reason for the call so that the agent can quickly identify a customer’s needs and help provide a better level of service.

- **Content analytics:** Social/community engagement analytics, text and video analytics and customer engagement analytics, for example, can help enhance an organization’s ability to better understand customer preferences, take action and increase brand resonance.

**Self-Service**

Self-service options are widely considered to be the best way to interact with customers. Accordingly, leading contact centers empower their customers with the tools needed to find their own resolutions. Key to these techniques are:

- **Next-Generation IVR with Advanced Speech Recognition:** IVR systems combined with speech recognition let customers interact with the systems instead of pushing buttons. Advanced contact centers perform speech-enabled call routing, helping customers describe their needs in their own words. These centers rely on natural language processing techniques to understand the customer’s speech and help provide quicker resolution. This leads to faster and accurate resolution, increased customer satisfaction and less need for agent support — thereby helping to reduce operational costs (See Figure 9 below).

- **NLP-based Knowledge Management:** Next-generation contact centers provide a self-service solution that allows customers to submit queries in their natural language across multiple channels and receive resolutions automatically — without the need to reach out to an agent. Integrating knowledge management with NLP (neuro-linguistic programming) through semantic analysis can lead to quicker resolutions, reduce the need to speak to an agent, and untangle the complexity and cost of contact center operations.

**The Connected Enterprise**

To be able to vigorously adapt in real time to proactively fulfill customer expectations, organizations need to plan for how to evolve and integrate their internal communications, information and processes. Creating an environment that is easy to use, flexible for the future and reliable allows...
agents in the contact center to enhance collaboration and facilitate more informed decisions—translated into positive experiences for the customers.

For example:

- Gamification promises to make the workplace more fun by applying game design elements to business processes such as customer support.
- With gamification software for the call center, customer support becomes more enjoyable for agents, leading to less churn.¹

Looking Forward

With the economy in flux, today’s organizations have to move forward by improving their customers’ experiences—with minimum investment but maximum gain. Remodeling an enterprise with high-quality service and a single point of contact helps build differentiation by knowing the customer’s mindset while at the same time understanding the inherent business value. We believe that next-generation contact centers will transform customer interactions by:

- Providing fast, reliable and accurate customer information across channels.
- Increasing customer satisfaction and thereby driving brand loyalty.
- Providing a consistent customer experience across channels.
- Reducing the cost of operations.
- Reducing contact center complexity.
- Providing flexibility and scalability for the contact center infrastructure.

Footnote:


About the Author

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