



# Call Center Short and Long-Term Goals and Investment Trends

## Report

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## Productivity Report

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# Executive Summary

In 2012, 510 contact center professionals, representing more than two dozen primary markets and industries, and located in more than 20 countries, participated in a study of contact centers' short- and long-term goals and investment trends.

Two of the survey's more significant findings were the lack of a particularly unified response to the question of what is considered a priority, as well as a profoundly strong uniformity in the ranking of those priorities. In the former case, a plurality of 39.4% chose the response of focusing on revenue-adding and increased customer loyalty. In the latter, of five answer options for ranking contact-center priorities, the average responses (on a 1-to-5 scale) clustered around the 3.3-to-3.86 range, indicating that, on average, contact centers consider all five options to be of slightly more-than-medium importance, with increasing customer satisfaction leading the pack.

Please rank the priorities in terms of importance to your call center. (Please rank, with 1 being the lowest and 5 being the highest.)					
	1	2	3	4	5
Lower operating costs	11.9%	14.5%	27.5%	24.2%	22%
Increase customer satisfaction	14.2%	7.1%	9.8%	16.1%	52.8%
Increase agent productivity	8.7%	11.9%	21.2%	31%	27.2%
Increase sales and profitability	16.6%	13.6%	18.4%	21%	30.4%
Meet service level agreements	9.9%	13.4%	20.9%	22.5%	33.3%

Although various aspects of customer-facing priorities all showed greater-than-average significance, 35.7% (the plurality of the responses) indicated that they didn't "have data to qualify [customer] attrition," which seems to be a significant omission in data collection.

Overall, the survey shows several instances of a hybrid condition consisting of a form of deck-chair rearrangement coupled to the usual chronic problems that have afflicted contact centers for decades: worker burnout, lack of communication between divisions, increased complexity, and challenges associated with training and technological integration.

## Key Findings

When asked how they measure success in a contact center today, 66.9% chose "meeting service level agreements" as one of their responses. A quarter (25.3%) of contact centers indicated that they were experiencing customer attrition.

Increased complexity was experienced by 69.8% of contact centers, but only 32.7% were upgrading their contact centers to deal with channel proliferation.

Agent attrition at significant levels was experienced by 42.7% of the contact centers. The usual causes (unsatisfactory pay, lack of career path, customer burnout, poor front-end profiling, fatigue, and work schedules) were cited, with burnout from difficult customers (48.1%) nudging out lack of career path (46.7%) for the lead.

# Study Results

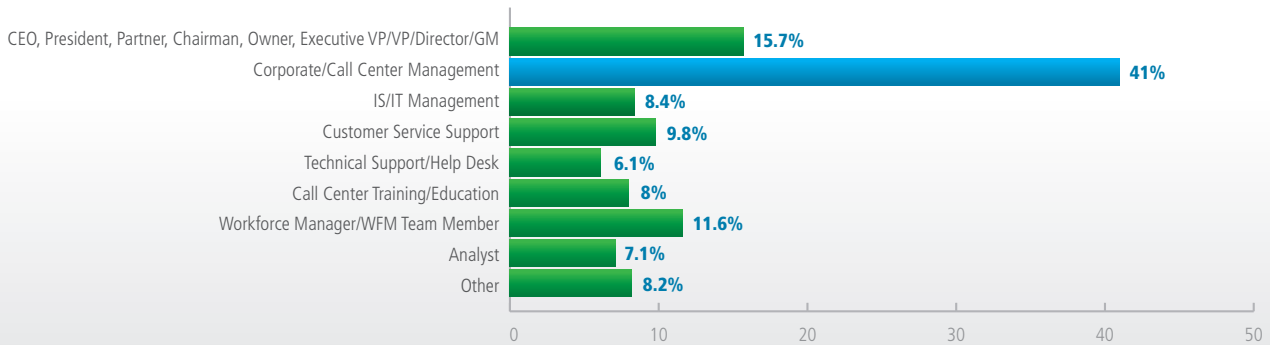
## Demographics

A large majority of the contact centers reported being location in the United States (452) or Canada (25). The remaining locations were India (4), South Africa (4), Australia (3), Greece (2), Netherlands (2), Philippines (2), Qatar (2), Russia (2), United Kingdom (2), Chile (1), France (1), Israel (1), Jamaica (1), Malaysia (1), New Zealand (1), Norway (1), Romania (1), and Slovakia (1).

The number of agents at respondents' contact centers broke down as follows: fewer than 20 agents (28.2%); 21-75 agents (26.1%); 76-500 agents (31.4%); 501-1,000 agents (7.6%); and 1,001 or more agents (6.7%).

A diverse range of job roles participated in the survey, with 41.0% of respondents reporting as corporate/contact center management (41.0%), followed by 15.7% as CEO/president/partner/chairman/ owner/executive VP/Director, and 11.6% describing themselves as workforce manager/team member.

### Which one of the following best fits your job role?



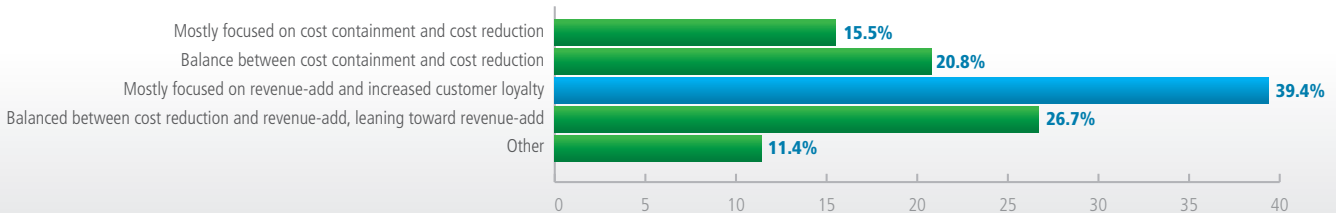
A large range of industries was also represented, with the largest percentage (16.5%) being in the finance/banking sector. Other large percentages included healthcare/medical (13.3%), insurance (12.9%), and retail (7.6%). Slightly more than a dozen other industries comprised the remainder.

## What's Important in 2012?

All five choices for the question "What is most important to your contact center in 2012?" generated a significant response. The most-selected was that of focusing on revenue-add and increased customer loyalty (39.4%). However, all remaining responses, including the catch-all "other" (11.4%), recorded percentages in the double-digits.

Although 15.5% of centers mostly focused on cost containment and reduction, 20.8% aimed for a balance between the two. Meanwhile, 39.4% are focused on revenue-add and increased customer loyalty, and 26.7% indicated that they were trying to balance cost reduction and revenue-add, with a leaning toward revenue-add. Ideally, of course, the perfect contact center will achieve a balance across all the issues: cost containment/reduction, revenue-add, and customer loyalty. These figures seem to suggest an uncertain focus among many contact centers, at least in that the centers don't have a stand-out universally accepted sense of what is important in 2012. For some, it's lower costs, for some it's adding revenue, and for others, it's customer loyalty.

### What is most important to your contact center in 2012?



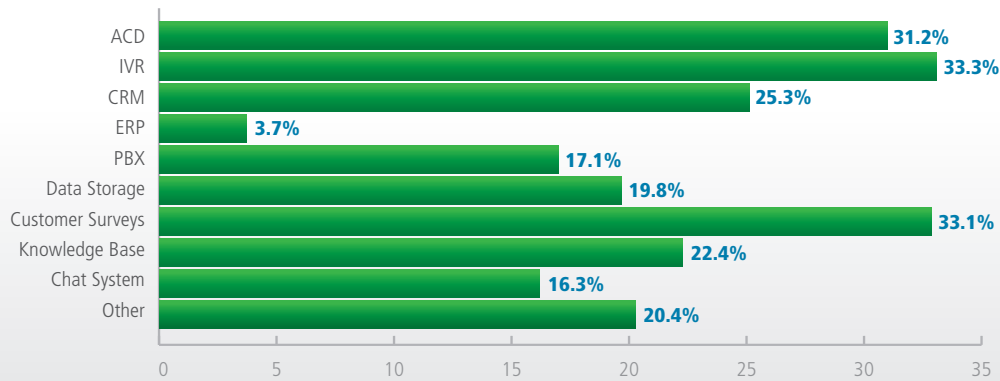
The possibility exists that these are simply three different, but equally valid, approaches. If you lower costs, you aren't under the same pressure to increase revenue. If you keep your customers loyal to you, that works out to a more-stable revenue stream and reduces costs associated with new accounts.

Customer satisfaction did end up as the most important priority, earning an average rating of 3.86 out of 5 in the survey. Increasing agent productivity and meeting service level agreements both placed at 3.56, with increased sales and profitability (3.35) and lower operating costs (3.3) still of above-average importance.

To make those 2012 priorities, a raft of investments have been planned. Among the more popular selections were process improvement (59.0%); recruiting, hiring, and training agents (40.0%); quality/call monitoring (36.9%); agent desktop tools (29.0%); and CRM upgrade/integration (27.5%).

Again, the data shows that contact centers are trying new things and upgrading. Furthermore, along with the majority of contact centers that currently utilize phone (96.9%), e-mail (84.1%), Web inquiry (61.6%) and fax (56.7%), significant minorities of contact centers employ online chat (31.0%) and SMS Text messaging (10.8%). The contact centers surveyed also make use of cloud-based services. Among the higher percentages reported were IVR (33.3%), customer surveys (33.1%), ACD (31.2%), and CRM (25.3%).

### What cloud-based services are you using today?

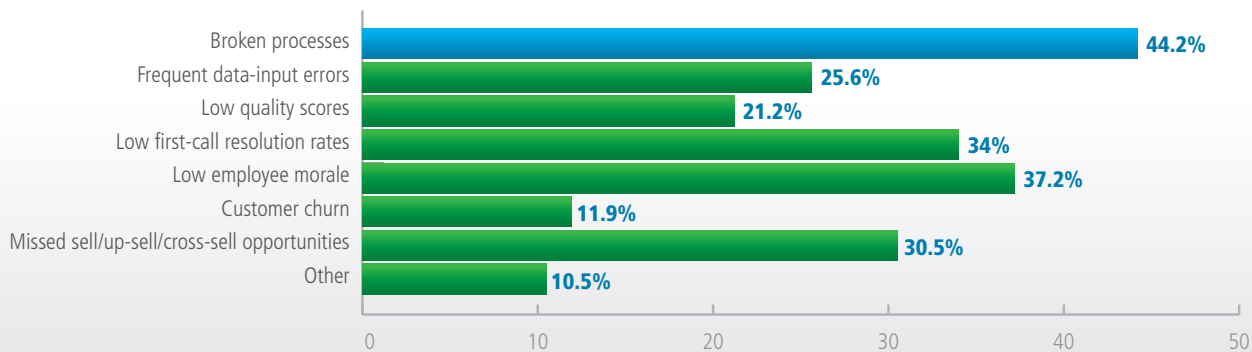


“One of the distinct differences I see between the contact center of today and tomorrow is that the future contact center isn't necessarily a point on a map in an urban center with 250 seats,” Mariann McDonagh, chief marketing officer at inContact says. “With the growing use of virtualization technologies, it doesn't really matter if an agent is working in a cubicle in a company office or from a desk at home.”

## The Usual Suspects

Although 69.8% of contact centers reported increased complexity, with survey responses indicating that the increase has triggered performance problems, such as broken processes (44.2%), low employee morale (37.2%), and low first-call resolution rates (34.0%), only 32.7% of them are upgrading their technology to deal with channel proliferation. Possibly, this indicates that a lack of channel proliferation is leading to a greater increase in complexity than would have otherwise been experienced. However, in a field of more than dozen factors for causing increased complexity, 46.2% of contact centers cited training/recruiting new agents. Specialized agent groups for diverse products (35.5%) and specialized agent groups for diverse processes (34.3%) were next. Some of the other most-frequently cited causes were juggling additional channels (32.3%) and handling attrition (27.9%).

### How is the increased complexity affecting your center's performance?



Attempts to handle increased complexity are wide-ranging, from enhancing agent training (58.7%), process cross-training (47.4%), and product cross-training (42.2%), all the way down to acquiring new center applications (16.9%) and hiring consultants (11.0%), contact centers are demonstrably willing to try anything and everything to reduce complexity.

Adding to the situation are the challenges associated with selling, cross-selling, and up-selling. Training agents is cited by 65.3% of the respondents as one of those challenges. The two other major responses were processes to conduct selling (54.1%) and systems/technologies to push relevant offers to agents (52.9%). The most telling datum, however, can be found at the 15.3% who admitted “We don’t know where to start with selling/cross-selling/up-selling.”

“Many people don’t understand what’s possible with a contact center,” says Paul Jarman, CEO at inContact. “Most companies simply deal with the pain.”

Adding to these challenges comes customer attrition and its causes. Again, quite tellingly, are the two responses selected by the plurality of survey takers: “We don’t have the data” (35.7%) and “Other (please specify)” (26.4%). The single largest factor indicated is that of poor service level (22.5%) followed by a series of similar conditions: poor first-call resolution (20.9%), inability to process contacts efficiently (17.8%), and poor quality program (15.5%).

The causes of agent attrition appear to be better quantified, with 42.7% of centers reporting that they have agent attrition at levels high enough to cause concern. Other challenges include securing budgets to meet goals: 53.4% of contact centers indicate that they have concerns about the issue. Oddly, almost half that percentage of centers (26.8%) report a lack of organization-wide support, and only one-sixth (16.2%) answered in the affirmative when asked if “something else about your contact center [was] keeping you up at night.”

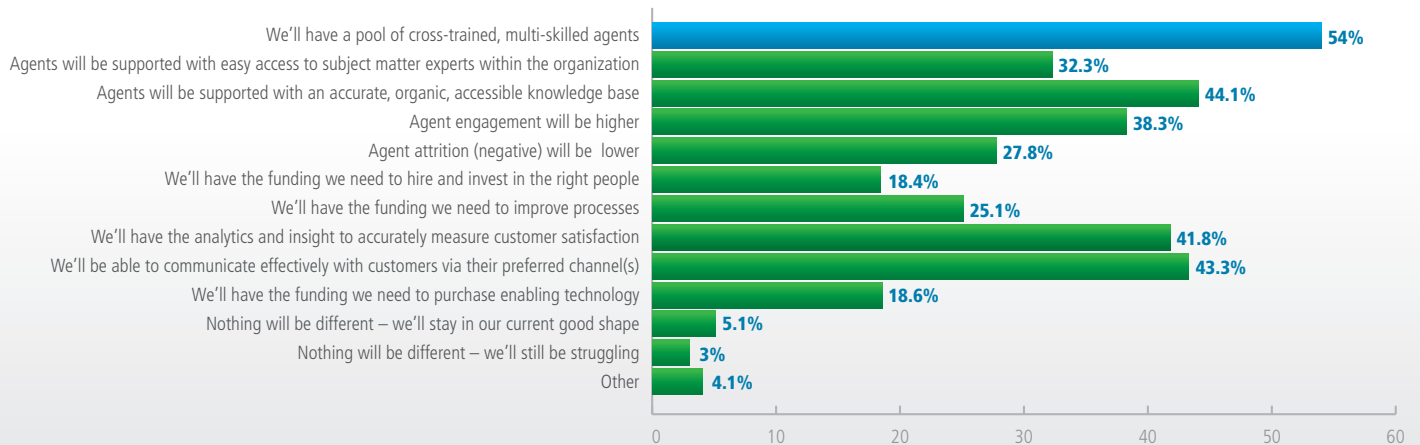
Also unusual are the results on the questions of what departments contact centers have good and bad relationships with. Among the positive relationships, IT came first (62.1%), followed by corporate management (46.7%), marketing (44.3%), sales (43.5%), and finance (25.7%). The field ranges by about 40 percentage points. On the other end of the scale, however, the range isn’t even 10 points. Sales (19.7%) leads, followed by IT (18.6%), marketing (18.2%), finance (17.1%), and corporate management (10.9%).

## The Future of the Contact Center

“There are dramatic changes occurring in the service industry that are transforming the ways that contact centers are going to have to interact with customers,” says inContact’s McDonagh.

The future holds great promise for the contact center. When asked where they see their centers in five years, many of those surveyed focused on something positive: 63.0% indicated that their center would be a customer-loyalty driver. Somewhat fewer (45.4%) see their center as becoming a revenue generator, with almost the same (44.1%) seeing it as an integral part of an organization-wide decision-making structure. More than one-third (35.3%) envision a future in which their contact center is a sought-after workplace. One-quarter (25.3%) see the arrival of decreased and manageable complexity, and one-fifth (20.6%) think their center will be well funded.

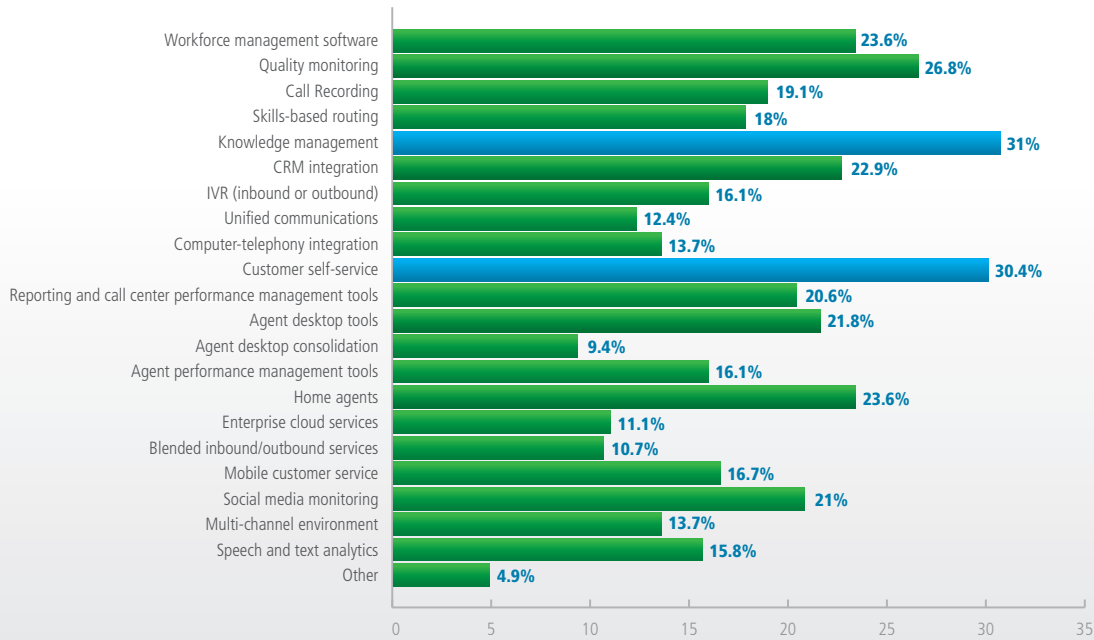
### What do you think will be different in five (5) years when your center evolves?



When asked what will be different in five years, when their center evolves, again, optimism leads the responses. A majority (54.0%) sees a pool of cross-trained, multi-skilled agents, who will be supported with an accurate, organic, accessible knowledge base (44.1%). Those agents will be able to communicate effectively with customers via their preferred channels (43.3%), as well as have the analytics and insight to accurately measure customer satisfaction (41.8%). Agent engagement will be higher (38.3%), and the agents will be supported with easy access to subject matter experts within the organization (32.3%). Even agent attrition will be lower (27.8%).

Although the vast majority was optimistic, 3.0% of respondents selected “Nothing will be different – we’ll still be struggling” as their choice of what would be different. Perhaps they’re right – and their contact centers will in five years be much the same as they are today. But that doesn’t seem likely. When asked to select a service, strategy or technology that could be a game changer for a contact center in the future, the same enthusiasm and optimism shines forward. Of almost two dozen choices, the leading expectations were knowledge management (31%), customer self-service (30.4%), quality monitoring (26.8%), home agents (23.6%) and workforce management software (23.6%).

## Is there a service, strategy or technology that could be a game-changer for your call center in the future?



“With gas prices soaring, it’s becoming much more difficult to find agents who are willing to commute 30 miles each way for \$8 an hour,” says Jarman. “This is one of the reasons why many executives are examining virtualization, to help recruit and retain the best agents.”

## Conclusion

Contact centers continue to be staffed by committed individuals who come in each day to perform an increasingly important and necessary job. They are subject to growing complexity and often face difficulty from customers. Contact center management are aware of the challenges involved and are using multiple tools in an attempt to ameliorate the situation for both sides of the contact-center experience.

However, the most significant challenges seem to be the least resistant to those efforts. For instance, more than two-fifths (42.7%) of contact centers are experiencing agent attrition, and almost half (48.1%) of those agents are leaving due to burnout from difficult customers. Are all those customers difficult from the first moment of the call? Probably not. But added complexity has added to agents’ workloads (greater data-input error rates, low first-call resolution rates, low employee morale) and negatively affected their ability to do their work.

Contact centers that wish to provide satisfactory customer service must continue to evolve, by embracing new technologies and opportunities, and by increasing funding when necessary to drive needed improvements. The role of the contact center should continue to grow and be integrated into the entire corporate structure, further building upon the positive relationships in place in various departments to more fully develop the functionality and cost-saving abilities that already exist. And those centers that have a clear focus on priorities and that can overcome the sense of confusion that appears to be gripping the present-day contact center will have the best opportunity to make real improvement.



# About This Report

This research was made possible by the underwriting support of inContact ([www.incontact.com](http://www.incontact.com)). ICMI research sponsors do not have access to research participant information, including individual survey responses.

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The International Customer Management Institute (ICMI), is the leading global provider of comprehensive resources for customer management professionals—from frontline agents to executives—who wish to improve contact center operations, empower contact center employees and enhance customer loyalty. ICMI's experienced and dedicated team of industry insiders, analysts and consultants are committed to providing uncompromised objectivity and results-oriented vision through the organization's respected lineup of professional services including training and certification, consulting, events and informational resources. Founded in 1985, ICMI continues to serve as one of the most established and respected organizations in the call center industry.

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