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insight that
flows to the
workplace

CCA RESEARCH COMPENDIUM 2012/13
An essential reference source for customer contact professionals

Confronting Changing Customer Contact Dynamics

Contents

Foreword

We are delighted to publish this Research Compendium at an exciting time for our highly-regarded research unit which has culminated in the launch of CCA Research Institute at Convention 2013.

We would like to thank our founding Research Partners not only for their support in the formal creation of Research Institute but for their support over the last decade which has enabled CCA to develop an extensive archive of authoritative reports on a wide spectrum of critical issues. We look forward to many more years of fruitful research partnerships and we are excited about the prospect of welcoming new partners in future, ensuring that we have a diverse mix of experts who add significant value to our research outputs.

One of the most valuable services CCA provides is collating, analysing and sharing information from across sectors, geographies and specialisms. We are a critical conduit for intelligence gathering and debate and committed to advancing and expanding understanding of customer contact and service operations and strategies.

Last year we conducted our most comprehensive research programme to date, leading to the compilation of this Compendium which distills the findings into a single authoritative reference source for the first time. The contents were generated in collaboration with many of our members and benefited greatly from the collective wisdom of our expert networks: Industry Council; Customer Experience Network; BPO Council and Supplier Council; all of whom helped get to the heart of issues impacting on customer contact and service operations.

CCA has unrivalled access to executives from global brands spanning a wide range of industry sectors, as well as executives from public sector organisations. Our research also benefits from the perspective of outsourcing partners, who provide frontline services on behalf of private and public sector clients, and industry suppliers.

CCA Special Advisers, who are eminent experts in customer behaviour, consumer trends, workplace dynamics and organisational structures, also played a significant role in steering our research activities.

Our agenda took a bold step into the future as we led the collaborative creation of Future Scenarios for customer service in 2022. The thought-provoking results enable members to start preparing for the future now and already we have seen signs that the Future Scenarios are coming true even faster than envisaged.

Our partners make a vital contribution by enabling us to create a detailed picture of trends in customer contact and customer service operations. In the last 12 months executives from Aspect, KANA, Kcom, Plantronics, Sabio and Verint worked closely with CCA, sparking new ideas, providing insight and helping shape projects. We are delighted to have a strong group of partners for 2013/14 with Kcom, KANA, Plantronics, Verint, Webhelp and Capita and we are pleased to welcome Cisco as a research partner for the first time.

I trust you will find lots of valuable information in our Research Compendium and I look forward to sharing the results of our new research projects for 2013/14.

Anne Marie Forsyth
Chief Executive

Executive Summary:
Orientation in a new customer service landscape

Meeting customers' needs and desires across every service channel is becoming increasingly challenging as the digital revolution has irrevocably changed the ways in which we all communicate on a daily basis.

CCA's intensive collaborative research programme has uncovered the extent to which super-connected, 'always on' customers are already forcing the organisations they engage with to re-assess their entire customer service models.

10 significant issues we uncovered include:

- Widespread mobile penetration is driving major behavioural change in consumers
- Mobile contact needs to be integrated into the service offering
- Organisations need to break down internal silos but are struggling to do so
- Customer service needs to find its own model for social media engagement
- Performance measurement needs to be done from a customer-centric perspective
- Big Data needs to be harnessed to deliver better customer intelligence
- Agents need to become multi-skilled problem solvers
- Skills shortages can be tackled through new sourcing models
- Universal view of a customer is vital to produce 'agile' service
- Leaders need to make a stronger business case for contact centre investment

A rapid proliferation in the adoption of mobile devices is one of the most significant factors driving behavioural change. Whether customers use smart phones or tablets, they can and do contact organisations 24/7, intensifying pressure on customer contact operations which are increasingly straining to cope with an unprecedented avalanche of customer contact.

There were expectations - and indeed hopes - that the advent of new contact channels would result in a manageable phase of 'channel migration' in which organisations could steer customers from more traditional and increasingly overloaded channels such as voice and email, persuading them to follow more automated routes or to self-serve, involving solutions such as IVR or web chat. However, in reality, there is scant evidence of channel substitution and consequently many organisations are grappling with 'channel overload.'

Multi-channel challenge grows

Our consumer research shows that customers still want to call and they still want to email and if they don't get the answers they want quickly they will use every other channel at their disposal to make contact. This behavioural shift is taking place against the backdrop of a difficult economic climate which has forced organisations into expenditure cutbacks - as a result they have to find innovative ways to do 'more with less.'

In this pressured environment, private and public sector organisations are struggling to meet customers' heightened expectations of seamless round-the-clock service via every communication channel. The situation is complicated by the fact that customers are increasingly impatient and vocal when things do not go smoothly - a development exacerbated by the emergence of social media as a highly public complaints channel.

Economic constraints add to pressure

Constraints span finance, infrastructure and embedded work practices. Money is not the only issue - although it is clear that senior customer contact executives have to battle harder to make a watertight business case for new investment to upgrade IT systems - despite evidence that many are outmoded and inappropriate for today's service landscape.

A common problem is the inability to have a single view of a customer across different channels. It is becoming clear that without a real-time customer interaction history, contact centre professionals, however well-trained and well-meaning, struggle to provide joined-up solutions to complex customer queries.

People and processes must change

Our research also pinpointed deeper structural problems in management structures and processes as well as a mismatch between the skill sets of people currently employed in front line customer contact roles and the skill sets that will be required in future. We are moving from a legacy of tightly-defined roles with layers of controls to a more unstructured future where independent thinking, multi-skilling, empathy and problem-solving will take precedence over a strict adherence to procedure.

Solutions are emerging

Taken in its entirety, our research constitutes a unique forensic analysis of the challenges facing customer contact operations - knowing precisely where risks lie and identifying them is the first step in solving them.

However, on a positive note, CCA's collaborative approach to analysis and research is also enabling the brightest minds and most experienced players from across a wide range of sectors and specialisms to come together to formulate not just tactical but strategic solutions. We have taken a holistic approach both to analysing present issues and to formulating strategic responses.

We have involved a cross-representation of senior figures from the CCA network as well as from major suppliers and outsourcers who have many years of experience in customer contact operations. We have also engaged with leading figures that are well-versed in consumer issues and concerns, enabling us to provide a 360° view of the dynamics of customer contact operations today and the trends that will shape the future.

The future contains daunting challenges but with the benefit of the collective insight of CCA, these can be viewed as golden opportunities to rewrite the rules of customer service in a way that benefits the organisations we work with and the customers we serve.

1.

Critical Customer Behaviour Statistics

Top 3 customer frustrations:

- Being put on hold
- Being passed around
- Not having their query resolved

The numbers that take you inside the mind of the customer:

- Customers rank service **3rd** after price and product
- One in four people won't wait more than one minute for a call to be answered
- **95%** of customers take some form of action following inadequate service*
- **68%** of customers will defect if they have a poor customer experience*
- **60%** of customers cite 'talking to a live person' as top service improvement
- **44%** of customer are less loyal to organisations
- **18%** of customers use social media to engage with organisations
- **34%** of customers would be persuaded to self-serve by vouchers and discounts
- **41%** of consumers pick web self-service as first preference for buying goods or services

Statistics are excerpts from a selection of CCA research reports sponsored by partners Kcom and Sabio except for those marked with an asterisk which are taken from research by CCA member New Voice Media and CCA Customer Experience Network respectively.

2.

Key customer contact statistics that impact on performance

- Over **50%** of organisations struggle to track customers across channels
- As many as **80%** of organisations still work in silos
- **43%** of CCA members say future calls to contact centres will be more complex
- **46%** of contact centres do not use real-time collaboration
- **74%** of CCA respondents say the contact centre is seen as a cost centre
- **42%** of members say customer experience performance not part of bonus*
- **50%** of public sector organisations have adopted a shared services model
- A smarter working environment can boost customer satisfaction by **10%**
- **46%** of members say not all contact centre metrics align with corporate goals
- Customer experience leaders generated investment returns **3 times** higher on average than the S&P 500 in 2007-2012*

Statistics are excerpts from a selection of CCA research reports sponsored by partners Kana, Kcom, Plantronics, and Aspect, except for those marked with an asterisk which, respectively are taken from research by CCA Customer Experience Benchmarking Survey and from the 2013 Watermark Consulting Customer Experience RoI Study.

3.

Horizon scanning: Four Future Scenarios for Customer Service in 2022
Essential insights to future-proof your service strategy

CCA commenced an innovative 'Future Scenarios' project in 2012 designed to create a roadmap towards the future of customer service and customer contact in a decade's time.

CCA Industry Council members steered the project's development through collaborative workshops during which they generated four future scenarios on major themes impacting customer service. A panel of Industry Council representatives then led discussions and votes on the Future Scenarios during an interactive session at Convention 2012 involving more than 400 delegates. It yielded valuable results in the shape of group views on the desirability and probability of each scenario and an identification of the key challenges to the scenarios becoming reality by 2022.

CCA's Four Future Scenarios

- **The Round Table:** New organisational dynamic and structure

- **Service eTail:** Blurring the distinctions between service and sales

- **Martini Agent:** Vision of a mobile freelance 'star-rated' agent

- **Customer Volunteer:** A new collaborative role for customers

The Round Table: Camelot returns with a champion of equals

The Concept

This scenario emerged from discussions on how to catalyse organisational change for the benefit of customers, and ultimately also for the benefit of the organisation. The concept was of a new structure in which all areas of the business are equal and customer service is regarded as integral to the whole operation not as a separate entity or cost centre. Central to the vision is bringing the customer voice into the seat of power, the boardroom - something which is often espoused by businesses but infrequently achieved in reality.

The analogy of the Round Table stemmed from a vision of a new and more consultative decision-making mechanism to replace the traditional corporate board. It would include a leader, a visionary 'Champion of Equals' and a 'Customer Champion' to act as a customer advocate. The hallmarks of leadership would be honesty and integrity and employee and customer engagement would be a top priority - based on the principle that 'happy employees make happy customers.'

The Challenge

There are those who believe that this scenario would result in lack of control, infighting or even strategic paralysis as it may prevent strong leadership and essential, tough decisions being made.

However, those who support the argument for change of this kind, reference pioneering companies with innovative organisational structures which thrive on being different. These include Semco, a Brazilian business led by Ricardo Semler which operates as a radical industrial democracy in which workers have a great deal of autonomy and power, deciding which boss to work for and which hours to work etc. The pursuit of happiness as a driving force helped Semco become one of the fastest-growing businesses in Latin America. The most compelling argument for this scenario is that it would engender greater employee and customer engagement and create a more agile organisation.

Regarding the prospect of a 'Customer Champion' emerging, there are signs that to an extent, this trend is already underway - albeit under different job titles and in different hierarchical structures. In the UK, companies which have opted for this approach include leading brands such as Virgin Atlantic which has appointed a Customer Experience Director to its board while Barclays has a Chief Customer Experience Officer.

The trend is even more pronounced in the United States where over the past five years Forrester Research has charted an increase in the number of companies with a single executive leading customer experience efforts

across a business unit or an entire company. Most commonly titled Chief Customer Officers (CCOs), they are so-called C-suite jobs at the apex of power within an organisation.

Service eTail: Seamless merging of sales and service functions

The concept

The vision is of a future in which everyone in the organisation is responsible for both service and selling, resulting in all staff having seamless interaction with customers, rather than the type of narrow interaction defined by job function which exists today. The rationale for this scenario is that removing the sometimes artificial (and even at times unhelpful) barriers between customer service and sales functions would put the emphasis more firmly on the overall quality of the customer experience and would amplify and underpin the link between a positive experience and business success.

The guiding principle would be that all employees are responsible for service and that the most knowledgeable employees work across the organisation in a new role of 'Customer Experience Curators' who pull together the desired elements of a product or service. In recognition of the higher cost of this form of personalised service, this scenario also incorporated a different approach for lower value goods or markets which would use virtual or holographic technology rather than real individuals to create an immersive and engaging experience

The backdrop is a major shift in the retail environment where the High St becomes the 'Try Street' and physical stores function as places where customers are more likely to engage and experiment with products than make a purchase. The Apple store customer experience and increasing number of pop-up shops point the way towards this trend becoming more mainstream. Organisations are likely to encourage this development as it allows customers to experience different aspects of a brand's offering and provides instant customer feedback. There are indications that this scenario may come sooner than 2022 as major retailers are currently trialing new ways to combine physical and virtual shopping experiences. For example Marks & Spencer has opened an innovative multi-channel store in Amsterdam with an e-boutique incorporating what it dubbed as the world's first virtual clothes rail. The rail comprises stacked

display screens as well as three physical rails with clothing samples. It is being used to showcase the latest trends and sits alongside order points and style advisers equipped with iPads.

The challenge

While the idea of being able to deliver seemless service and sales is appealing, some are concerned over potentially problematic issues with data and security. Also, for this to work in practice it would require a visionary approach by companies at the highest level, yet few businesses are currently putting time, effort and money into this kind of visionary thinking. Major cultural issues would need to be addressed to make this scenario a reality.

There are potential generational issues - e.g. younger people may be comfortable with virtual shopping but this might not suit those who prefer a more traditional retail experience. More research is required. It also begs questions about the future role of the contact centre and of the kind of person needed to perform a blended sales and service role. There are implications for training, recruitment and retention programmes which can attract the right kind of personable, knowledgeable and flexible people able to excel in both sales and service.

Martini Agent – Individual star ratings form basis of service contracts

The concept

This scenario was dubbed 'Martini Agent' in homage to a popular TV advert for an Italian vermouth which featured the slogan 'Any time, any place, anywhere.' The slogan summed up a vision of a new spirit of flexibility in employment patterns and contracts becoming the norm rather than the exception.

This scenario envisages that the largely fixed employment models and formal career structures which currently prevail in contact centres will give way to a more fluid and flexible set-up in which highly skilled agents will operate as freelancers.

The vision is of a roster of freelance talent whose skills and knowledge are rated in a publicly-available way akin to the way hotels and restaurants are currently rated

independently by guests via Trip Adviser. Every service interaction would result in a star rating either through direct feedback of an assessment of the emotional tone of the customer. Five star agents would represent the elite of the workforce and the ratings would enable employers to bid for the best talent and to select according to specific experience, knowledge or personal attributes.

The principal advantage would be flexibility: employers could pick the best people for specific tasks, tapping into a flexible talent pool while agents could achieve a flexible work-life balance and choose to work with brands or businesses with which they identify. It would also create a location-neutral set-up for businesses, with more home working reducing fixed costs and allowing recruitment of people in more remote locations.

The challenge

Achieving this degree of flexibility requires a change in culture, mindset, and employment contracts. It would also require a reassessment of current outsourcing models as outsourcers may have a significant part to play in managing the new breed of freelancers and putting together 'crack squads' of top ranking agents for specific contracts.

A potential way to combat these concerns would be to devise industry standards which specifically cover new ways of working. More research is required to explore new ways of working; to create a new standards framework around them; and to engage with boards.

There was a consensus that even if this scenario is likely to emerge in the long term, ground work must start now. This should involve serious consideration of where the industry will find the highly-rated agents of the future, and whether recruitment must look at new demographics such as returners, people seeking a second career and home workers.

This scenario is also bound up with a need to make the industry more attractive as a career choice to school leavers - this requires building a positive image and developing better links with schools.

Customer Volunteer: A new collaborative role for customers

The concept

In this scenario customers become the medium in which support can best be provided to fellow customers. Organisations can monitor social media activity to identify and recruit engaged and informed people who would make good customer champions.

This would create a valuable testing ground for new products and services as well as reducing the cost of providing customer support. There is evidence that this is already happening (e.g. the giffgaff business model is built around customer self-help), so the probability of the trend growing is seen as very high.

The challenge

When it comes to building communities of customers, certain brands are so appealing to people that customers will create forums by themselves, but this may not be the case with all brands or service providers.

Motivation is also a concern - if organisations offered inducements to customer advocates there is a risk that their views would be regarded as 'contaminated'. Businesses may also struggle with rewarding people for both negative and positive input and it is unclear how the public sector could become involved in reward schemes at all.

Another key concern is the loss of control that may arise as a result of customers having increased power to shape product offerings. There are also concerns over regulatory implications if customers are to make recommendations to other customers and also potential liability issues if something bad befalls a customer as a result of following advice provided by another customer.

4.
Customer Experience & Shareholder Value
The impact of customer experience on organisational performance

A long-standing concern for members has been how best to draw on the insight and understanding of customer contact operations for the wider benefit of the organisation, and how to demonstrate the strategic value of the customer contact to the overall business.

The aim is to change outmoded perceptions of contact centres as cost centres and to reposition them as repositories of expertise and intelligence which help a business to understand and get closer to customers. Customer service leaders are also focused on getting boards to recognise the ability of contact centres to contribute to the bottom line by boosting customer retention, reducing churn and also encouraging repeat sales as well as upselling and cross-selling products.

The critical focus is on linking customer experience to loyalty which leads to a long-term profitable customer relationship. Research in this area looked at tracking and analysing customer experiences to understand better how to deliver a seamless multi-channel experience. The buzzword is 'agile' service, reflecting the reality that customers will flow from one touch point and contact channel to another, all in the space of a single transaction, and businesses must learn to keep pace and track the journey in real-time.

There is evidence of concerted efforts among customer contact professionals to deliver insight and data to boardrooms that is either couched in financial terms or addresses financial imperatives more clearly than previously. CCA Customer Experience Council debated the blend of data needed to gain the CEO's attention and what insights contact centres must deliver to enable the board to instigate improvements that will enhance financial performance.

Customer Experience Council considered whether incentivising employees to deliver a better experience for customers is a widespread practice and found that more than 40% of businesses do not currently do this. It begs the question whether there is a need for greater adoption of incentive schemes which incorporate customer service measures.

Key facts & figures

- **68%** of customers will defect if they have a poor customer experience **(Source: CCA Customer Experience Council)**

- **42%** of organisations say customer experience performance is not part of their bonus structure **(Source: CCA Customer Experience Benchmark Report)**

- Businesses with leading customer experience performances generated a return **three times** higher on average than the S&P 500 **(Source: Watermark Consulting)**

There is clear evidence of a correlation between superior service performance, brand trust and financial performance. Examples in the UK include retailer John Lewis which has been consistently voted 'Most Trusted Organisation' and is also a thriving business.

In the United States, a prime example is Amazon, the world's largest online retailer where a reputation for excellent service has been accompanied by exponential growth and successful global diversification of its product offering.

CCA research highlighted the importance of using appropriate data and measures to highlight performance issues and to flag concerns. Efforts are focused on delivering searchable, actionable data which generates new insight, stimulates behavioural change, boosts revenue and enables changes in products, processes and performance.

A critical change observed across CCA network is a shift away from reliance on one or two largely internally-focused operational metrics to assess and report performance to the board. Customer Experience Council has been examining different approaches to achieving a truly customer-centric view of performance. The consensus view is that there is a need to develop a better tool kit for measuring customer experience which is more aligned with enterprise-wide goals.

Data such as average call handling times and speed to answer is still collected routinely but there is a renewed focus on customer-centric measures including Customer Satisfaction, frequently in tandem with Net Promoter Score and Customer Effort.

CCA conducted a research report 'Voice of the Contact Centre' in partnership with Sabio which detected changes in both attitude and practice in relation to performance metrics.

"Encouragingly, our research revealed that members now see Customer Satisfaction as their most important metric – showing a clear move away from the destructive benchmarks such as Average Handling Time, that over the years have helped to cover up sub-standard performance."

Kenneth Hitchen, Founding Director of Sabio
(CCA & Sabio "Voice of the Customer")

Another CCA research project in partnership with Sabio, "Challenging Demand in the Contact Centre: The Good, the Bad and the Unnecessary" found that one in four inbound calls to a contact centre are unnecessary or avoidable, wasting the customer's time and costing the business money. Finding the common reason for those calls and fixing it will simultaneously improve customer experience, take cost out of the business and deliver shareholder value.

The concept of measuring 'Customer Effort' has been gaining traction, the rationale being that making your organisation easy to do business with, whether for sales, technical support or complaints, will increase the likelihood of a customer making repeat sales.

IKEA which makes a virtue out of the customer having to make some effort to keep costs low may have to think again as modern consumers increasingly expect to save money without being required to 'make an effort'.

At the other extreme, American Express has embraced the concept of reducing customer effort in order to drive customer retention and loyalty. According to Harvard Business Review, American Express found that front line agents were so hidebound by bureaucracy that they spent more time 'box-ticking' than listening to customers' needs. With the help of a new agent coaching programme (CORE), American Express reversed this focus and initial data indicated that when agents excelled in the programme, the customer they served was more likely to do business again, achieving the strategic corporate goal.

The emergence among business leaders of a belief that 'customer service is the new marketing' has provided fresh impetus for efforts to break down barriers between customer service and marketing. It has also led to

revitalised efforts to demonstrate how a positive service experience creates brand loyalty, brand advocates and drives spending.

Forrester has modelled the business impact of improved customer experiences and its findings contain two important messages for boards:

• Customer experience strongly correlates to loyalty
• Better customer experience can be worth millions in annual revenue

There are three key things which an improved customer experience delivers for a business:

• Higher purchase intentions
• Greater likelihood to recommend
• Lower likelihood to switch to a competitor

All three of these have positive implications for financial performance.

Loyalty is inextricably linked to the financial health of any business as conventional business wisdom dictates that it costs at least five times (and some argue seven times) as much to attract a new customer as to retain an old one.

Using CCA Global Standard© to drive business improvements for the organisation

CCA Global Standard© constitutes both a toolkit for continuous contact centre improvement but also an aide to achieving broader business benefits. It is a powerful strategic weapon to fight against complacency in a service environment and under CCA's new audit options, in 2013/14 organisations undergoing assessment will also be able to benchmark their performance via a more detailed audit procedure.

Among major organisations to have taken advantage of the range of benefits Standard© delivers is Tesco which has been assessed since 2005. Like others that have undergone assessment, Tesco has realised a number of important business benefits: it has improved customer experience, operational efficiency and staff morale in each of the last five years.

Ian Naylor, Customer Service Centres Director for Tesco Stores, says that the process of benchmarking against

stringent industry-recognised criteria is valuable because it helps the company to understand how it is performing versus best-in-class contact centre operators, what it is doing well and how it can improve.

"Striving to meet, and achieving the stretching criteria of Standard©, sends an important message to colleagues in our contact centres and to the rest of our organisation that we constantly look beyond the four walls of Tesco to ensure we are a great employer and operating at the top end of our industry."

Ian Naylor, Customer Service Centres Director for Tesco Stores

Making a business case for technology in the contact centre

Smart deployment of technology is important to delivering a superior customer experience and many contact centres are struggling with IT infrastructure nearing the end of its lifespan, putting an onus on them to make a strong case for new investment.

But many struggle to communicate the business benefits to be derived from investing in new contact centre technology - whether it be virtualisation tools, multi-channel solutions, CRM systems, integrated mobile applications or social media monitoring capability.

"The good news is we can help them make the investment case," said Brian Atkinson, Head of Customer Collaboration Sales, UK & Ireland for Cisco.

Atkinson cites a global Cisco research report, 'The Impact of Technology on Contact Centre Performance', which studied 143 contact centres across industry sectors and analysed the extent to which technology investment has had a positive impact on revenue performance for the enterprise as a whole.

It produced categoric evidence of a link between contact centres using more advanced technology and achieving a better performance. The research found that contact centres with more advanced technology perform substantially better on six key measures.

Key benefits of investing in advanced contact centre technology platforms

- Improved customer satisfaction
- Reduced cost-per-call
- Increased first call resolution
- Increased calls per agent per hour
- Reduced queue times
- Improved agent satisfaction

Source: Cisco Research Report: "The impact of technology on Contact Centre Performance"

5.

Communicating & Managing Customer Expectations

Develop a deeper understanding of what drives your customer

Achieving superior customer service hinges on having a true understanding of customers and what drives their behaviour and using that understanding to manage their expectations effectively and retain their loyalty.

Our research has shown that customers are more informed and more vocal than ever, they are digitally connected and digitally adept and in many ways, simply more demanding. We are living in an 'always-on' world which means customers increasingly demand 24/7 support and they are quick to complain if they do not get it.

Given the plethora of channels and platforms by which customers can communicate their feelings, there is a pressing requirement for organisations to find more effective ways to capture and make sense of customer comments. While there are pockets of excellence in this regard, the consensus view is that too often organisations are hobbled in their efforts by a lack of investment in IT solutions to do this efficiently, from analytics to more sophisticated CRM systems.

Inside track on understanding customers:

- **58%** of UK adults own a smart phone and **19%** own a tablet

- **1 in 4** people will not wait more than 60 seconds for a call to be answered

- **60%** of consumers say the top improvement they want to see in a contact centre is to get through to a live agent

- **44%** of consumers believe that organisations do not care about customer feedback

- **80%** of organisations expect to introduce more self-service and automation

- Social media usage has trebled with **18%** of consumers now using it to engage with, complain to and compliment organisations

- Over **50%** of organisations struggle to track customers across channels

Statistics are excerpts from a selection of CCA research reports sponsored by partners Kcom, Sabio and Verint along with Ofcom statistics.

We need to know what annoys customers as much as we need to know what pleases them and we need to formulate service strategies that take these factors into account.

On a positive note, 80% of more than 3,000 people polled by consumer group Which said friendly, helpful, knowledgeable staff and speedy resolution of problems were the service factors which would most influence them when deciding which companies to use.

Consumers polled on behalf of CCA made clear they want service to be fast and efficient, to be easily understood and to have their problems solved. They are more likely to shop around on price and seek online comparisons, making them less likely to remain loyal to a brand. Service is still an important part of the mix but is rated third after price and product.

There is an increasing willingness to self-serve but only if online service provision or IVRs make it easy to do so, otherwise they will end up calling to vent their frustration and seek further help. A survey by Which identified a long list of irritants which need to be tackled.

Top Customer Service Irritations:

1. Automated telephone systems
2. Staff trying to sell products you don't want
3. Being passed around
4. Annoying 'hold' music
5. Long queues
6. Rude staff
7. Standard responses to problems
8. Staff lacking knowledge of products or service

Source: Which

Survey cynicism

Ironically, one of the things which could be added to the list of irritations for customers is being asked to give feedback. Organisations survey customers on so many occasions about so many things these days that there is evidence of 'survey fatigue' and growing cynicism among consumers about the value of giving their views.

Trust and loyalty have become ever more important issues. With mis-selling scandals in banking and utilities hitting headlines, consumer trust has plummeted and customers are wary and cynical. A key challenge is how contact centres can help to rebuild trust and confidence in the businesses they represent.

"You need to have accountability and measurability at every customer touch point."
Santander

Research CCA did in partnership with Verint in 2011 highlighted that 89% of people are likely to provide feedback on poor service to the organisations they deal with, however 44% believe organisations do not care about customer feedback.

David Parcell, Verint Managing Director EMEA said:

"The CCA and Verint study showed organisations are making efforts to understand what their customers tell them. It's encouraging to see organisations using surveys, for example, to gauge customer satisfaction. However, given all the ways in which consumers discuss their experiences, surveys are just the tip of the iceberg. Below the waterline, there is a huge amount of untapped information in recorded phone calls, emails, conversations on social media and even
employees' own notes — all of which can provide organisations with a true voice of the customer."
CCA & Verint Survey - "One Step Closer to Customers—The Challenge of Understanding Multi-Channel Interactions"

The mobile effect

More people in the world now own mobile phones than toothbrushes and numbers are still rising, especially for smart phones. At the end of 2012 there were 6.8 billion mobile subscriptions, according to the International Telecommunication Union - that is equivalent to 96% of the world population.

These are consumers on the move and in a hurry and it is creating unprecedented challenges for customer contact operations battling to keep up. Consumers switch seamlessly from one channel to another and frequently organisations struggle to follow, leading to frustration and delay.

More agile service delivery is needed - but for that to happen, organisations need a 360 degree real-time view of a customer so they can map current needs against transaction and interaction history. An inability to do this makes it hard to manage customer expectation in a way which will lead to a positive outcome and increased customer satisfaction and loyalty.

Agents can no longer assume they know the situational context when a customer gets in touch - for instance a request to read out an account number may irritate a customer whose account details are held in an email which they cannot read on their mobile phone while simultaneously speaking to a help desk.

In general, more investment in time and money is needed to optimise service for mobile use, particularly for websites which can prove difficult to navigate when using mobiles, frustrating customers' attempts to self-serve online by completing what should be simple transactional steps.

Mobile contact is not a term restricted only to phones, it refers to people using an array of portable devices to make contact. The popularity of devices such as tablets mean that even if a user is sitting at home, they are still contacting you in a 'mobile' capacity. The implication is that mobile-friendly service delivery is crucial and making assumptions about a customer's situation is a mistake.

Several CCA members have adopted smart strategies to use mobile devices to enable customers to provide feedback at the point of service delivery. These include Yodel which equipped its parcel delivery drivers with mobile devices to communicate directly with customers, boosting confidence in the service as it kept customers in the loop on any delays or other hitches.

Case Study

Sky has adopted smart tactics which help manage customer expectation and also link customer experience to value creation. Steve Macdiarmid, Director of Sales, drove changes designed to engender recognition for Sky's customer service. He said: "We set out our stall so that when people walk down the high street and you say to them, 'What do you know Sky for?' Of course they will say 'Sky Sport, Sky Movies and Sky One' but we also want them to say 'the service you get from Sky is truly amazing.'

The aim was to enhance satisfaction and loyalty among existing subscribers but also to woo new customers. The strategy involved emphasising collective responsibility within the contact centre. It also included abandoning traditional metrics such as call handling times and adopting a balanced scorecard which would enable customer contact operations to engage at the top level within Sky on a more sophisticated and less one-dimensional basis. Another innovative approach by Sky is that it runs its sales contact centre as a 'real business' with a profit and loss statement, demonstrating that while it incurs cost, it also generates revenue. Incentive programmes for sales people were also tied to delivering a great customer experience, resulting in strong alignment of goals and efforts.

Social media shifts power balance to the customer

Social media is for some consumers now their channel of choice to vent their frustration if they are dissatisfied with a business and it is increasingly escalating service issues to the boardroom as it is a highly visible form of communication.

There are instances of CEOs becoming directly involved in even minor service issues once they have gone public on Twitter or Facebook. The risk of embarrassment and reputational damage is a big driver for boards to invest in social media response capabilities. However, often the responsibility lies with marketing or press team rather than customer service operations.

There is a nervousness over permitting customer service agents to engage directly with customers via social media, with a lot of resource dedicated to monitoring rather than engagement. There are instances however where well-trained customer service agents have achieved excellent results when charged with responding to customer comments and enquiries via social media. This approach has the attraction of speedy resolution as they are more likely to have the answers to a range of queries.

Tesco CEO Philip Clarke sanctioned the setting up of a social media team within the company's Cardiff contact centre with 3 teams, manning social media channels form 7am to 11pm and handing over the watch to an e-moderation company in the intervening period.

The team has mastered a difficult task - having individual personable 'voices' while retaining the corporate voice on important issues. A number of business benefits have accrued including adroit handling of the horse meat food scare and more generally quicker identification of issues or complaints which gives Tesco an opportunity to react and resolve issues more speedily.

Overall, many organisations are still in the slow lane when it comes to communicating with customers and managing their expectations via social media - one of the biggest barriers is fear of falling foul of compliance issues, particularly in highly-regulated sectors such as financial services.

However, conversely, the reputational cost of recent high profile corporate blunders over Twitter is concentrating minds on a need to bring customer service into the mix and to find effective ways to cover the 24/7 nature of social media channels.
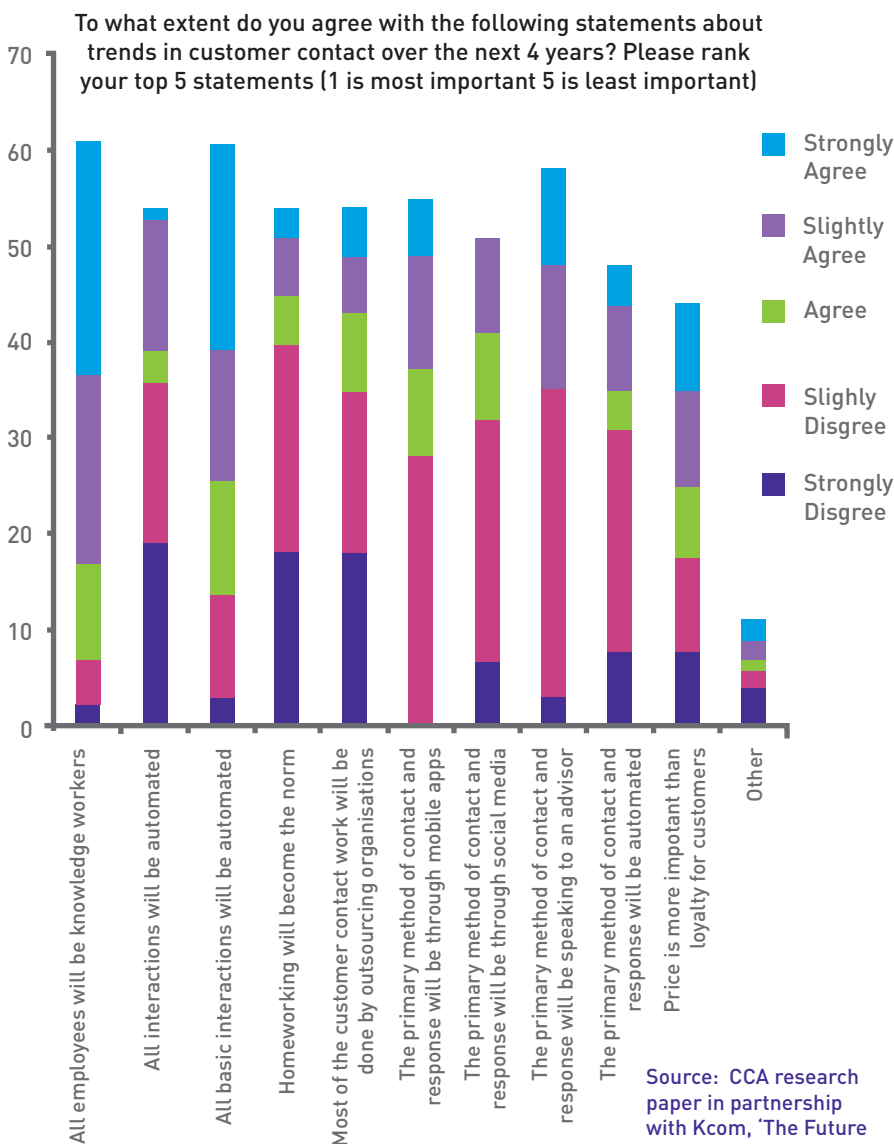
6.

Future Workforce
A radical reassessment of people, policies and places

Complex calls require new skills

The people agenda is often overlooked or minimised in strategic discussions yet is critical to forging a customer service proposition fit for future challenges. The CCA paper 'Reaching Across The Enterprise' produced in association with Plantronics found in a CCA survey that 43% expect more complex calls in future: the simple rationale is that simple issues will be dealt with via automated responses or self-serve methods.

That one compelling figure goes a long way towards explaining the central thrust of our research findings on people issues: that there is an urgent need to reassess the skills and knowledge levels of customer contact agents, team leaders, coaches and managers and to apply more exacting standards and more innovative approaches to recruitment, training and coaching methodologies.

To what extent do you agree with the following statements about trends in customer contact over the next 4 years? Please rank your top 5 statements (1 is most important 5 is least important)

Legend:
- Strongly Agree
- Slightly Agree
- Agree
- Slightly Disgree
- Strongly Disgree

"Thought leaders for the sector argue that growing complexity of inbound calls will require knowledge workers with a high level of empathy and problem-solving ability."

CCA research paper 'Reaching Across The Enterprise' in partnership with Plantronics

Although there is extensive training and coaching in contact centres today, in general educational requirements remain relatively modest at least for more junior roles. This is likely to limit an organisation's ability to develop the required new breed of knowledge workers, unless they re-examine recruitment methods now and start engaging in a meaningful way with young people at different stages of the educational system.

"All workers will be knowledge workers"

This statement was rated as the top development for contact centres by 2016.

Source: CCA research paper in partnership with Kcom, 'The Future of Customer Service to 2016'

More enlightened approach needed

Part of leaders' efforts on the people agenda must focus on developing a better public perception of customer contact roles and an understanding of the rewards of working in a stimulating diverse customer service operation. One approach could include communication opportunities to progress laterally as well as vertically to more senior roles. Of course, not every organisation can truthfully offer this inducement currently, an issue which needs to be addressed at board level as part of the people debate.

Research partner Plantronics argues that enlightened corporate leaders should see the contact centre as "an incubator of talent for the organisation" but warns that currently there are significant handicaps to achieving this.

Philip Vanhoutte, Plantronics Senior VP and Managing Director for Europe and Africa, and CCA Special Adviser, says the people agenda cannot evolve unless the 'command and control' nature of rigidly run contact centre operations is replaced by a culture of trust. He argues that given trust and greater autonomy, organisations and their customers will benefit from a re-energised, liberated and engaged workforce.

"Contact centres as we know them will become extinct just as the typing pool did...Liberate your people and judge by results not presence."

Philip Vanhoutte, Plantronics Senior VP and Managing Director for Europe and Africa, and CCA Special Adviser

Physical workplaces will be less limited by location as experts can work across borders and time zones which means both remote working and home working are expected to rise. Also, the cloud will allow affordable, secure and reliable information sharing, enabling agents to attain the more flexible lifestyles they seek.

Vanhoutte advocates physical liberation from the confines of the industrial style contact centre. The company, a leader in advanced headsets, audio technology and communication, has staked its place in the workplace of tomorrow by adopting an enlightened view to its own working practices, workplace design, acoustics and use of technology. The company's own contact centre in Hoofddorp in the Netherlands won a CCA Excellence Award for Best Use of Global Standard©.

Gen Y, the workforce of the future, will demand a better working environment than today's contact centres can offer. They will expect ergonomic workplace design with designated zones for different activities whether they are concentrating, collaborating or communicating with clients.

A smarter working environment can boost customer satisfaction by 10%
Source CCA Research, 'Reaching Across the Enterprise'

Amid a demographic backdrop of an ageing population in the UK, the talent war for young graduates will intensify, especially if the economy stabilises. Corporate culture matters to younger people seeking a pleasurable working life and flexibility in where, when and how they work. The Silicon Valley model of trendy work 'pods' and chill out zones may be far removed from the reality of today's UK contact centres but it is present in the aspirations of Gen Y and the young graduates of today.

There is anecdotal evidence of an increase in graduate recruitment in some establishments although it is a moot point whether this is opportunistic - because of current labour market trends which have resulted in high levels of graduate unemployment - or whether it is indicative of a deliberate policy to employ more people with tertiary education. The latter is the case with several large outsourcers in particular.

Case Study
A glimpse of the future: Teleperformance Portugal

Teleperformance Portugal, part of the world's leading provider of outsourced CRM and contact centre services has moved up both the value and skills chain in terms of recruitment, training and retention. Recognised by the "Great Place to Work Institute' as the top employer in Portugal for companies with more than 1,000 people, Teleperformance Portugal has achieved industry-beating employee engagement of 84% with 800 multi-lingual, multi-skilled recruits from all over the world, including social media experts. The average age of the workforce is 28, a total of 71% are university or college educated and they are selected via a sophisticated process including polemic debate as well as psychometric testing. Career progression is managed via a company-wide JUMP management training programme designed to produce outstanding first line managers - a critical role impacting on overall performance. The benefits that accrue from

an enlightened approach to the people agenda include winning more value-added contracts which involve taking responsibility for the total customer experience and also brand experience on behalf of clients, including interactive social media engagement via management of brand Facebook and Twitter sites. **Source: inTouch Edition 4**

Educational qualifications are only part of the potential solution - recruiting and developing people of all ages and background with the right aptitude, attitude and knowledge set is also critical, given that agents of the future will need a blend of specialist knowledge, independent thinking, technical competence life experience and soft skills, industry leaders opined.

Home workers offer alternative talent pool

That means widening the talent pool to include older workers who will represent a larger proportion of the workforce in future. They bring significant life skills, with several businesses reporting success in employing home workers aged 40 to 60 and even older.

Home working is beginning to be regarded as less niche and more of a mainstream solution to flexible working needs, allowing organisations to flex up or down easily according to demand peaks. Highlands and Islands Enterprise has had particular success in creating a Skills Register of people wishing to work from home and a growing number of businesses across the UK have used it to source home workers who live hundreds of miles from their base but form part of a seamless customer service force.

Home working benefits

- Reduction in carbon footprint
- Lower real estate costs
- Higher productivity
- Higher engagement
- Higher customer satisfaction
- Business interruption back-up

Source: CCA member interviews & CCA Customer Experience Council meeting

Case Study
Tesco home working trial delivers positive results

Robert Tait, HR Manager for Tesco Stores said the retailer employs 300 home workers in Scotland including customer service managers, team leaders and an operations manager and plans to expand its home working operation further. The move into home working was fuelled by Tesco's success in expanding into online and catalogue retailing and the popularity of its loyalty scheme, Tesco Clubcard, which meant that call volumes were rising, putting increased pressure on its customer contact centres in Dundee and Cardiff.

Tesco considered several options before trialing home workers, including the possibility of opening a third dedicated site or expanding the two existing operations - both of which would have entailed significant outlay. Tait estimates that recruiting a home worker costs roughly one-third of the cost of recruiting a worker for a new facility.

The benefits span economic and environmental issues. The calibre of people joining the home working operation has been an unexpectedly valuable bonus with many older and better-educated than the average contact centre worker. "The key benefit was a huge untapped resource of talent, including carers and disabled people," Tait said. On key measures such as productivity, absence and attrition, home workers have either performed at least as well or outperformed relative to contact centre based colleagues.

New team tactics

Fresh thinking on team structures is also needed, according to Guy Fielding of consultancy horizon2. "We use a bizarre notion of teams in contact centres. We talk about teams and how important they are but then we operate as if we know nothing about how teams are structured and organised.

"If you look at high performance teams like a rugby team or a surgical team there is one obvious thing – everybody has a different role and a different specialism. The power of the team is that they are different. Contact centres structure teams by putting together 20 people with the same skills. That is not the way to get a high-performance team."

Guy Fielding, Research Director, horizon2 consultancy

Fielding said the industry needs to shift from horizontal to vertical teams which are inter-disciplinary and inter-departmental and have a view of the whole customer journey.

Coaching is another area where contact centre leaders need to step up to the plate with new tactics, argued consultancy OEE in a research paper for CCA Industry Council.

"There is a huge gulf between current practices and the processes needed to foster a high skills front line environment," OEE said.

Constraints to effective coaching include administrative burdens and insufficient time to coach large teams. OEE recommended coaching would work better with smaller teams of no more than eight people.

Skills Coaching

Team leaders currently spend 10% or less of their time coaching staff. It needs to be 40% to 50% to make a significant difference to skill levels.

Source: Research paper by OEE for CCA Industry Council

Strengths-based management

James Rapinac of Gallup outlined benefits which accrue from an approach known as 'strengths-based management' in which managers focus on helping employees to apply their particular strengths to their job in order to help them thrive in a more complex role and simultaneously to deliver continuous meaningful improvements for the organisation.

Play to your strengths

In a study of 520 work units, teams with managers who received feedback on their strengths:

- Demonstrated **12.5%** more productivity
- Delivered an 8.9% increase in profitability
- In a study of 65,672 employees, those who received feedback on their strengths experienced **14.9%** lower turnover rates

Source: Gallup research paper for CCA Industry Council

CCA is progressing a number of the issues which emerged from our research into the Future Workforce, including further development of our Futures Scenario: Martini Agent.

Why the Martini Agent? Because there is a strong probability that the future will include freelance agents who can work any time, any place, anywhere and whose career aspirations and priorities will differ from the contracted full-time workers we employ today. The managers and directors running contact and service centres today need to start preparing for that eventuality if they are to attract the people they need to solve the problems of the customers of the future.

7.
Organisational Change
Rewriting the rulebook on organisational dynamics

Changes in customer behaviour necessitate a new approach to organisational structure and dynamics and our research has produced constructive dialogue on the types of change that could deliver far-reaching positive results for customers, the businesses that serve them and wider stakeholders including shareholders, citizens, and government. Our research initiatives delivered particularly valuable insight into this area.
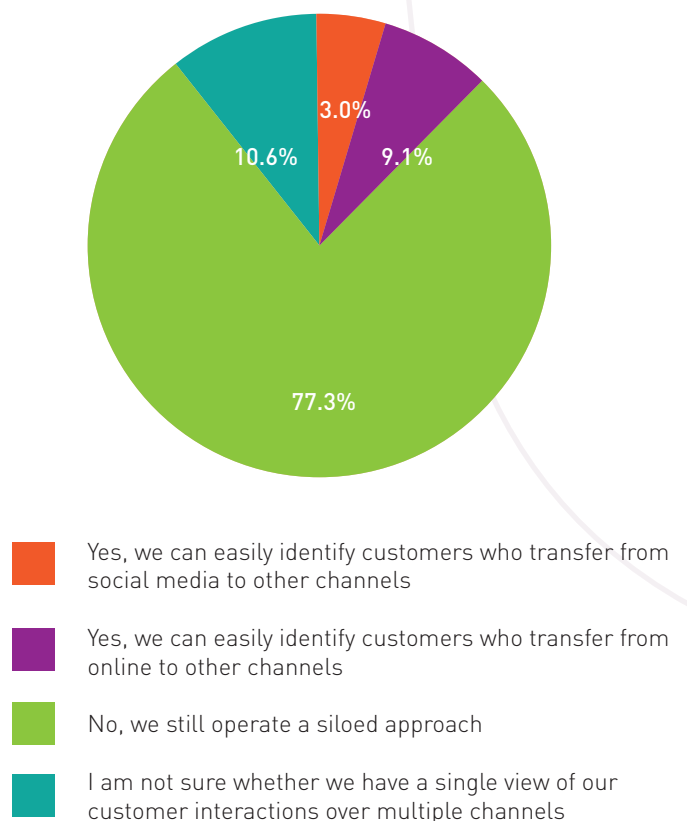
Silos prevent joined-up thinking

Key aspects of organisational change which we explored include a need to address the structural problem of silo-ed organisations. According to CCA research in partnership with Kcom, the overwhelming majority - a total of 77% of organisations say they operate a silo-ed approach.

The effects of silo-ed operations are several - but from a customer perspective, the key is that efforts to have queries resolved swiftly are likely to be hampered by the fact that the information they need is unlikely the possession of one single department. The result is that calls are likely to be placed on hold before being passed to other departments - a practice which is one of the biggest bugbears for customers.

CCA research in partnership with Sabio makes this clear, citing the major three issues which frustrate customers when it comes to poor service as: being put on hold or having to wait for a long time for their call to be answered; being passed around; and not having their problem solved.

Are all your customer interactions joined up? (eg: being able to recognise) a customer has complained on twitter and later calls a contact centre. Please select all statements which apply to your organisation:

- Yes, we can easily identify customers who transfer from social media to other channels
- Yes, we can easily identify customers who transfer from online to other channels
- No, we still operate a siloed approach
- I am not sure whether we have a single view of our customer interactions over multiple channels

Source: CCA research paper in partnership with Kcom, 'The Future of Customer Service to 2016'

CEO buy-in vital

The CEO clearly has most power within the organisation to enact change which will demolish silos but unless he or she is well-versed in customer service issues, it is likely that their awareness of the negative impact a silo-ed organisation has on customers will be limited. Consequently, their motivation to change the status quo can be constrained by a lack of knowledge of inter-connected issues which have a profound impact on organisational efficiency, customer loyalty and financial performance.

Thinking about any recent experiences of poor call centre customer service that you might have had, please give us some examples and tell us what made the customer service so poor. Unprompted responses

Top 10 mentions:

Verbatim comments:

25%	Being put on hold/long wait on phone
11%	Being passed around
8%	Not efficient/didn't resolve problems
5%	Cutting off the call
3%	Poor service
3%	Having to repeat information
3%	Had to call back myself/several times
3%	They don't return calls
3%	Did not (always) keep promises
2%	Long time to solve problems

An hour of being passed back and forth between departments, being fobbed off until finally finding someone prepared to think of a solution.

Needing to ring on several occasions, each time having to start explaining the problem from scratch. Nobody appearing to record details of previous conversations. Arbitrarily put through to different call centres in different parts of the country. Promises not kept.
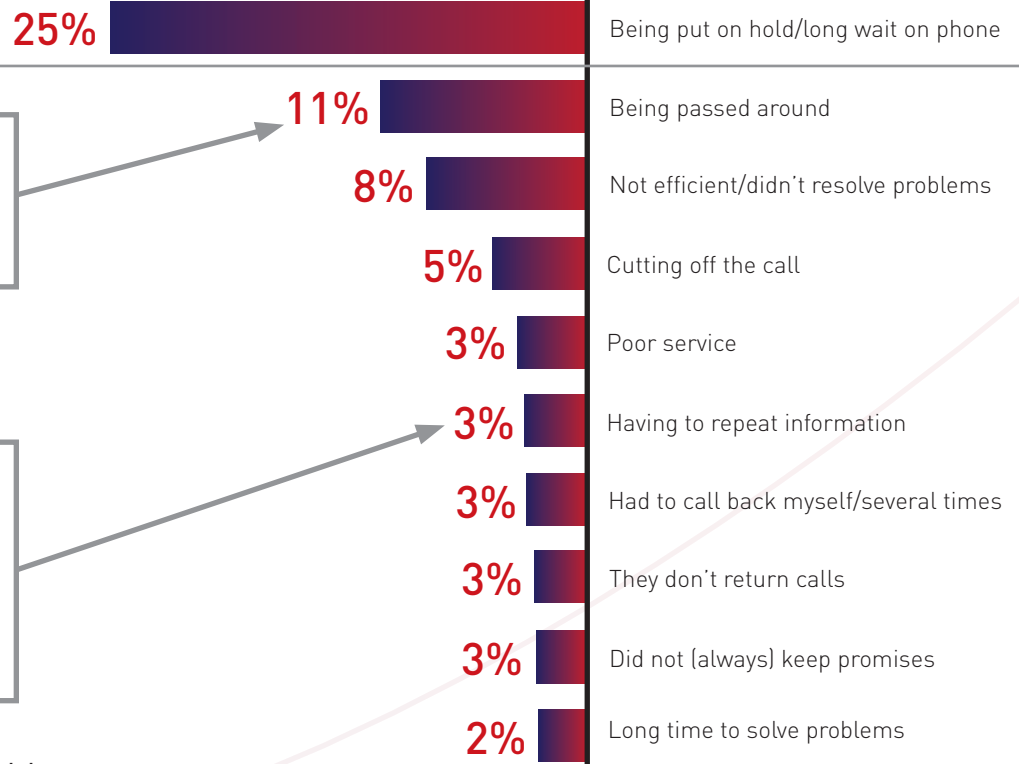
Base: all respondents, 1,009 British adults aged 16-64, Ipsos Mori, Feb 2012

We uncovered evidence that not just CEOs but boards in general are out of touch with their customer service and customer contact teams. Less than half (46%) of members thought that the contact centre was properly represented at board level on all issues while almost 10% believe that their boards are out of touch.

The emergence of a boardroom disconnect is hardly surprising when viewed alongside data which shows that board visits to contact centres are either infrequent, rare or in some cases non-existent - with one in five members saying that their board never visits the contact centre at all.

Re-engaging with the board is therefore vital to efforts to improve collaboration between customer service teams and the rest of the enterprise.

Being serious about smarter customer service implies a shift in the status of service within the organisation.

Recommendations including a proposal that 'high-flyers', up to and including the CEO, should spend time in a customer service function as part of a structured career development programme designed to give them hands-on experience and solid understanding of customer issues.
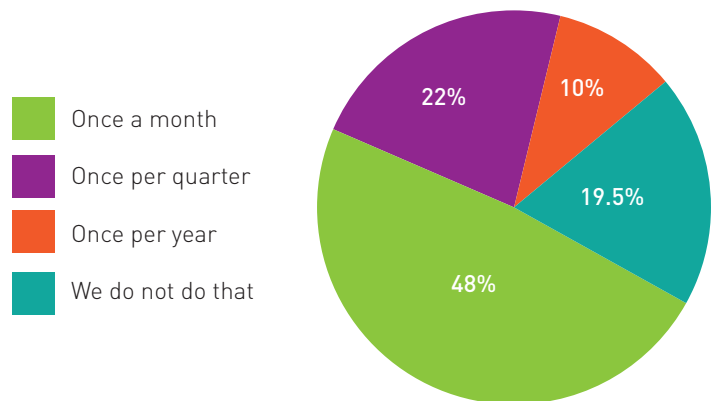
'Being part of a customer service function should be seen as a key step in an organisational career - you should not be able to be CEO unless you've worked in customer service'

Source: CCA research in partnership KANA - 'Smart Service - why will customer contact remain the cornerstone of your customer offering?'

Do you feel that customer service and the contact centre is properly represented at the Board level?
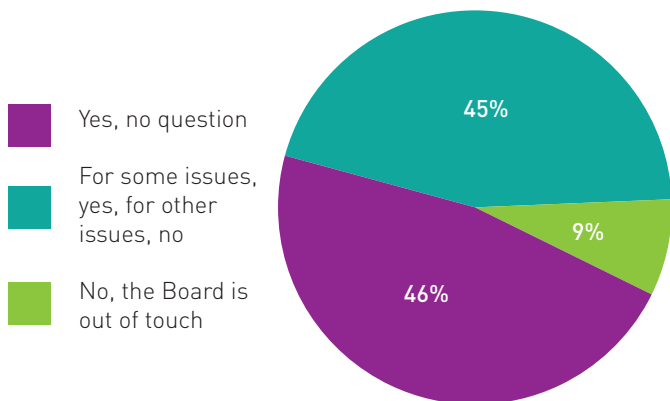
How frequently does the customer service director or other C level executives observe how the contact centre handles customer contact?

- ■ Yes, no question
- ■ For some issues, yes, for other issues, no
- ■ No, the Board is out of touch

45%
9%
46%

- ■ Once a month
- ■ Once per quarter
- ■ Once per year
- ■ We do not do that

22%
10%
19.5%
48%

Source: CCA research paper in partnership with KANA – 'Smart Service – Why will the contact centre remain the cornerstone of your customer offering?'

Getting the message

Fly on the wall' television documentaries such as 'Channel Four's Undercover Boss' have provided high profile examples of CEOs and other top-ranking executives undergoing a Damascene conversion after spending time with their own customer contact teams.

Kevin McCullough, Chief Operating Officer of utility RWE npower went undercover at the company's customer complaints centre, keen to understand why the company scored badly on this critical aspect of customer service. It opened his eyes to company-wide issues that needed to be addressed.

Case Study- RWE npower

Kevin McCullough, Chief Operating Officer of utility RWE npower went undercover at the company's customer complaints centre in Teesside which has 500 people and handles up to 15,000 calls a day. He was motivated by a desire to understand why the company was languishing at the bottom of league tables run by consumer champion groups.

"In any big business, whatever your core business is, all too often there is too great a disconnect between the people at the top of the operation and the people doing the work. I wanted to find out where the gaps lie," he said.

McCullough saw the frustration experienced by both customers and staff as a result of having to deal with unwieldy legacy IT systems and different software platforms (a common issue in sectors which have undergone rationalisation such as utilities and financial services).

He had already signed off on a £200 million investment but was able to accelerate investment and direct it more wisely as a result of his experiences. "It gave me the confidence to sign cheques for customer advisory software so that the kind of inefficiencies of multiple systems our people had to deal with will be a thing of the past," he said.

npower commenced a staged migration of customer data in order to create what McCullough described as an "all-singing, all-dancing tool and he demonstrated the business benefits of the IT investment and a sharper focus on customer service to the board.

He advised: "Customer service absolutely should be a boardroom issue. Any business which doesn't take customer service seriously doesn't deserve to be there."

Marketing and service disconnect

CCA's research with KANA, a global leader in customer service solutions, revealed a disconnect between marketing and customer service operations which is hampering smarter service delivery. The research found that Marketing Directors currently have limited influence on key customer service investments, despite the fact that marketing drives important customer contact and requires actionable customer insight.
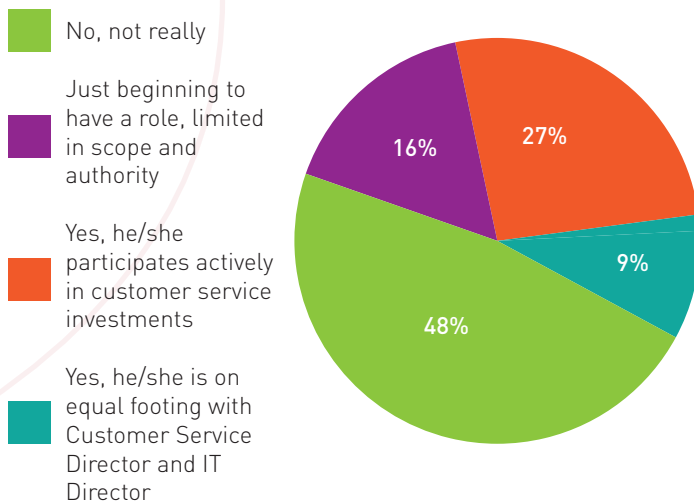
A key finding was that overall 47% of respondents do not regard Marketing Directors as having an increased role in Customer Service investment decisions. A further 16% perceive them as beginning to have a role but limited in scope and authority, with just 9% stating that the Marketing Director is on an equal footing with the Customer Service Director and IT Director when it comes to customer service investment decisions.

The report raises important questions about how to bring these functions more closely together.

A more synergistic relationship would benefit customers, CCA research found. The report raised important questions for organisations that have poor interaction between service and marketing.

"Marketing understands the channel; customer service understands the customers so how do organisations achieve a more synergistic relationship? Is it possible that the metric or KPIs within the various parts of the organisation are actually getting in the way of success?"

Does the marketing director have an increased role regarding customer service investment decisions?

- No, not really
- Just beginning to have a role, limited in scope and authority
- Yes, he/she participates actively in customer service investments
- Yes, he/she is on equal footing with Customer Service Director and IT Director

16%
27%
9%
48%

Source: CCA research paper in partnership with KANA – 'Smart Service – Why will the contact centre remain the cornerstone of your customer offering?'

Customer activism

Another big issue that organisations have to confront is the increasing influence of customer opinion on strategic issues. We have glimpsed the beginnings of new thinking on this topic, prefaced - and indeed encouraged - by a more general rise in shareholder activism and the emergence of vocal customer lobbyists on a range of issues.

Much customer activism energy and ire has been directed at the financial services sector, sparked by financial and economic crisis and an erosion in public trust. However, perhaps surprisingly, personal banking was rated top over every other sector for best contact centre experience, according to CCA research with Sabio 'Voice of the Contact Centre' while consumers said telecoms providers and mobile operators deliver the worst service.

Consumer Trust

There has been a general erosion in consumer trust in organisations in recent years, influenced by a series of scandals and high-profile examples of service failings. However, on a brand by brand basis, it is possible to retain trust even in difficult market circumstances, according to Veronica Hope Hailey, Dean of the School of Management at the University of Bath, and a keynote speaker at Convention in November 2012.

In a study of 14 organisations she found that five maintained or enhanced trust even during financial crisis. She attributed this to the existence of a large 'trust fund' in the form of a bank of goodwill established over years of good service experiences.

Four drivers of trustworthiness:

- Ability - do I believe that organisation/person is capable
- Benevolence - do I believe they are benevolent and concerned about people
- Integrity - do I believe they have a moral code
- Predictability - is behaviour consistent over time

Source: Veronica Hope Hailey, Dean of the School of Management, University of Bath.

8.
Recommendations for the future
Turning insight into action

Enacting change requires the following critical ingredients to be in place in order to succeed: firm conviction, strong leadership, board level support, and employee engagement and buy-in.

It also necessitates a lateral understanding of the dynamics of the markets and sectors in which you operate and the competitive forces at play. It also requires an ability to make a solid business case for necessary investment, including identification of the metrics that will enable the compilation of a strong argument on the expected return on investment for the organisation in terms of efficiency savings and increased revenue.

However, most of all it requires a thorough understanding of how any changes you make to your business will impact on your customers and a concomitant ability to direct change in a way which delights customers and transforms them into loyal and enthusiastic advocates.

A careful sifting of the extensive research CCA has undertaken in the last 12 months brings to light a number of problems common to most contact centre operations regardless of sector.

A 'one-size-fits-all' approach to strategy recommend-ations is inappropriate at a micro level, but on a macro level, we have identified 10 issues which warrant attention for contact centre operators looking to excel regardless of sector or size. A holistic approach to driving continuous customer-centric improvements is needed to become a world class service provider of the future.

Pathway to a more enlightened future in customer service delivery

- Identify and use metrics that link customer experience and business success
- Train agents to engage effectively with customers via social media
- Break down organisational silos to improve business processes
- Deploy IT systems that provide a single view of customer across channels
- Ensure mobile contact is integrated into your service delivery model
- Measure how much effort your customers have to make and reduce it
- Deploy analytics to capture the voice of the customer
- Use insight from complaints to design service improvements
- Recruit and train problem-solving multi-skilled agents
- Involve your customer community in the service proposition

9.
CCA Research Institute

CCA Research Institute comprises an elite group of Founding Partners and Research Fellows drawn from organisations that have demonstrated significant depth of knowledge, expertise and experience in managing or meeting the needs of world-class customer contact operations. It also includes leading academics and other experts who are leaders in this field.

CCA sets the research agenda in collaboration with members of the Research Institute and CCA Industry Council. The Institute's work is very much futures-focused and designed to ensure members keep abreast of rapid changes in consumer behaviour, technology and working practices. Research topics span critical operational and strategic issues.

Research Partners can commission a bespoke project, selecting either a short 'express' project or a more comprehensive report including a members' survey, consumer research and expert interviews.

CCA works with partners to develop compelling narratives from the research outputs and also undertakes to present the findings to members and to assist in disseminating the findings more widely. Partners play an active role in structuring lines of enquiry, identifying expert contributors and participating in research briefings, webinars and other events.

Key benefits of becoming a Research Partner and commissioning a project:

- Alignment with the leading research centre for customer contact and service
- Opportunity to influence the direction of new leading-edge research programme
- Exclusive access to our network of senior customer contact decision-makers
- Detailed analysis and commentary from our panel of industry experts
- Access to the latest data on consumer trends authoritative research collateral for promotion of research findings
- Input on PR campaign from CCA
- Licence to use findings for your own thought-leadership purposes

CCA
Research
Institute
insight that
flows to the
workplace

Research Programme For 2013-2014

Topic 1: Changing Customer Needs and Expectations

Key themes

Customer self-help
An examination of the role customers are increasingly playing in helping each other on website forums, answering queries and generating content as well as the role they play in providing feedback and input on current and future products and services.

Complaints
Complaint handling is one of the most delicate and critical tasks carried out by customer service teams. We will research the entire process from how complaints are handled initially to how they are escalated and resolved and seek to establish how the process can be improved.

Benefits of channel shifts
Consumers and organisations have different drivers, constraints and perspectives which affect their respective views on contact channels. How do we identify the optimal channel for specific transactions and situations and can we or should we attempt to shift or restrict consumer choices? What are the benefits and the pitfalls?

Topic 2: Future Strategy and Meeting Enterprise-Wide Challenges

Key themes

Pathway to the future
In order to progress we recognise that we need to make changes on several essential areas including obtaining a single view of the customer and also abolishing a silo approach to dealing with customers. We will identify the practical steps we need to take towards bringing the future one step closer.

Equal scores
It is vital to identify the investment priorities which will enable contact centres to deliver the best customer journey. We will consider the relative merits of critical issues which jostle for investment including: demand management and reduction of avoidable contact.

The contact centre as educator
Contact centres possess in-depth information on customer behaviour, beliefs and attitudes which could be used to engineer a more customer-centric approach throughout the entire organisation. How do we best raise awareness of these key strengths to leverage the influence of the contact centre and enable it to highlight customer needs?

Topic 3: Developing a New Business Model

CCA will assess our collective research findings and use them to create a blueprint for a visionary new business model which can deliver benefits both for organisations and for the customers they serve.

Key themes

Customer end-to-end journey
We will systematically map customer journeys across different contact channels, identifying and highlighting 'pain points', positive experiences and examples of good engagement in a variety of service contexts.

What is 'great'?
CCA is uniquely placed to draw upon examples of best practice, innovation and outperformance from across the entire industry. We will draw upon this knowledge to encapsulate what great service comprises, to showcase organisations which excel, and to distil this information into learning outcomes which can be embedded more widely in the sector.

Automation
We will scrutinise which aspects of customer service can be automated most effectively, taking into account how this might impact on relationships with customers and also examining the question of whether there is a 'tipping point' beyond which automation can be detrimental.

Research Partners

We greatly value the support and input of our Research Partners in our annual programme. Our partners are global corporations who provide leading-edge products, solutions, and consultancy to both public and private sector enterprises engaged in customer contact and customer service operations. We welcome approaches from potential new partners on appropriate research topics.

2013 Partners

Capita
'Customer Effort – How hard is it to make things easy?'

Capita is the UK's leading provider of business process management and integrated professional support service solutions. www.capita.co.uk

Cisco
'Measuring The True Value of An Effective Customer Contact Strategy'

Cisco is the worldwide leader in networking that transforms how people connect, communicate and collaborate. www.cisco.com

KANA
'The Future of Email Management' and 'Customer Service Strategies & Tactics to Increase Engagement in the Boardroom

KANA Software, Inc. is a global leader in customer service solutions used by more than 900 organizations worldwide. www.kana.com

Kcom
'The Future of Customer Service'

Kcom provides communications services and solutions for multi-site enterprise and public sector organisations throughout the UK. www.kcom.com

Plantronics
'Homeward Bound: An analysis of home working trends'

Plantronics is a pioneer in intelligent communications systems including audio headsets, noise-cancelling technology and personal speakerphones. www.plantronics.com

Webhelp UK
'An analysis of current trends in contact centre outsourcing'

Webhelp UK is a market leading provider of innovative outsourcing solutions. www.webhelp.com

Verint
'Why you need your customers to complain'

Verint Systems Inc provides solutions that help organisations capture and analyse customer interactions, sentiments and trends across multiple channels, improve performance and optimise the customer experience. www.verint.co.uk

2012 Partners

Aspect
'Are Public Sector Organisations Embracing Collaboration to Provide a More Seamless Service For The 24/7 Citizen?'

Aspect is a global provider of customer contact, enterprise workforce optimization and back office solutions. www.aspect.com

KANA
'Smart Service – Why Will Customer Contact Through The Contact Centre Remain the Cornerstone of your Customer Offering?'

KANA Software, Inc. is a global leader in customer service solutions used by more than 900 organizations worldwide. www.kana.com

Kcom
'The Future of Customer Service: When Transparency Meets Customer Contact'

Kcom provides communications services for multi-site enterprise and public sector organisations throughout the UK. www.kcom.com

Plantronics
'Reaching Across the Enterprise'

Plantronics is a pioneer in intelligent communications systems including audio headsets, noise-cancelling technology and personal speakerphones. www.plantronics.com

Sabio
'Voice of the Contact Centre'

Sabio is an innovative contact centre solutions provider focused on helping businesses reduce costs whilst improving the customer experience. www.sabio.co.uk

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Get Involved with CCA

Whether you are an existing member or you are thinking of joining, we would like to extend a warm invitation to become involved in our exciting programme of events for 2013/14. You can get information about upcoming events via our website but if you want a personal guide on how to get the best out of CCA, we recommend talking to our friendly team who can create bespoke packages to meet the specific needs of your organisation.

Our services include: study tours; workshops; webinars; special industry group meetings; participation in our research programme; access to our archived research via our Learning Zone; Global Standard© accreditation; annual Excellence Awards programme; and Annual Convention, an unmissable event which brings all of our annual output and learning together in master classes, keynote presentations and innovation theatres.

Contact the CCA team

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