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Contact Centre Mega-Trends for 2012

By Rod Jones

We've now had time to shake the sea sand out of our shoes; to break a good many new year's resolutions; to start that health-kick (again) and to look ahead into 2012. What challenges, obstacles and opportunities lurk in the misty future of the contact centre industry?

There are a good few certainties. Global economic realities will continue to impact our operations. Recruiting, training and keeping good contact centre staff will pose serious problems for all contact centre operators. Customer demands for more effective, more efficient and cheaper services will be dominant factors. The Gartner phrase "Customer Democracy" really says it all; giving the customer the choice through which channel and at what time they would like to make contact with the organisation.

That said, what are the overriding mega-trends that the South African contact centre decision-makers must have clearly in their sights if they are to develop viable strategies to maintain or to gain competitive advantage; to win new and to retain existing customers; to significantly grow market share and grow the bottom-line?

It is also a tragedy that so few South African contact centres – and especially the 'Tier One Outsourcers' – have fully embraced the implications of these global trends. As a consequence, our position in the international business process outsourcing and offshoring (BPO&O) sector is being seriously prejudiced. The small but meaningful competitive advantage that South Africa once had is being rapidly eroded.

There's no doubt in the minds of many of the internationally recognised analysts such as Gartner, Forrester, SaddleTree and Ovum that Customer Experience and the voice of the customer (VoC) will be dominant drivers for 2012 and beyond. Already, the uptake of next generation contact centre technologies is reflecting these sentiments. It will be interesting to see how closely South Africa will pick up and follow these trends. In SaddleTree Research's report entitled "Contact Centre Mega Trends 2012", analyst Paul Stockford defines VoC analytics as a three-legged stool. The first leg is speech analytics, the second leg, customer survey software and the third leg being text analytics.

High on Forrester's list of Top 15 Trends for Customer Service in 2012 is the necessity for organisations to give full customer interaction history to agents. Including all channels and specifically including social media. The drive for total integration has never been more urgent as customers demand greater degrees of personalisation than ever before, while demonstrating waning loyalty and rising levels of consumer petulance. In the vast majority of first world markets businesses are well and truly into "The Age of the Customer" where empowered, knowledgeable buyers demand of their providers new levels of customer obsession.

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“Here in South Africa we may well be in The Age of the Customer” suggests Johan Jacobs, Gartner Research Director, “but are the corporates actually listening?” he asks. He adds: “How many of South Africa’s top 100 companies have opened up their firewalls for employees to actually embrace the social media phenomenon? How few have deployed Social Media Monitoring or Social Media Analytical solutions or Social Media Response tools”. Jacobs suggests that the answer will probably be fewer than 2%. That’s a shocking reality!

Technology Trends

The move from premise-based systems to the cloud.

There is now sufficient compelling evidence to support the ‘cloud-based’ contact centre technology model, with some analysts reporting real operational cost savings of over 40% over a five year period. That’s the good news!

While operators heavily invested in their own premised-based platforms will naturally be reluctant to migrate to the cloud at this juncture, many will find that the acquisition of their own premises-based ‘next generation’ technologies such as speech and text analytics will be prohibitively expensive. A hybrid combination of premises-based and cloud may well be the answer; a practical and cost effective alternative. For example, voice traffic is kept local, thus reducing bandwidth requirements and maintaining quality but with contact centre logic, routing, quality assurance, workforce management, predictive dialling and analytics happening in the cloud.

But despite a great deal of compelling evidence; despite the astute predictions of globally recognised industry analysts it appears that very few South African organisations have to date actually developed clear Cloud Strategies. According to Jacobs, fewer than 10% of South African organisations had clear cloud strategies in place. In the world of ICT that’s like setting out to sea without a compass – never mind a GPS.

Social Media Integration.

I don’t think for a moment that there are any doubters out there anymore; social media is a reality and as custodians of the Customer Experience we had better get our act together – and fast! Yes, it is a mega trend but to what extent will social media actually be driving customer experience strategies? Or are there many still saying that it’s just a ‘nice to have’? When I see the lightning-fast and highly personalised responses to my Tweets by companies like OUTsurance, Discovery Health and Incredible Connection I recognise that within these organisations (and some others, I’m sure), there exists a genuine passion for service excellence; organisations embracing the true meaning of the Customer Experience ethos and making the Voice of the Customer heard in the boardroom. Very loud and very clear! However the tragedy is that here in South Africa these truly excellent companies are few and far between.

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Capturing the Voice of the Customer.

On the global playing field it certainly appears that forward-thinking organisations are really starting to listen to what their customers are saying, and what their competitors' customers are saying too. The trends clearly show that 2012 will be the watershed year in which we will start seeing major organisations embracing the very real links between providing a high quality customer experience, loyalty and the longer-term financial success of the organisation as a whole. There is no doubt whatsoever that organisations using real-time customer feedback applications will be able to instantly measure – for example – their Net Promoter Scores, agent performance, customer effort scores and various other KPIs that truly monitor the health of the customer relationship.

When these types of real-time interaction analytics are directly linked to the organisation's quality assurance and performance management processes it provides management with the ability to react instantly to both positive and negative customer feedback; to effectively train staff to replicate positive behaviours and rectify flaws in operational processes and procedures.

Today's true speech analytics technologies have reached a practical level of maturity and affordability to allow us to capture and analyse the content of every single call in and out of our contact centres. The technology finally gives us the ability to truly understand why customers are calling us; why we have certain previously indecipherable peaks and troughs in our call arrival patterns and the ability to extract every single call having any kind of business impact - to analyse these calls and to convert mere statistical data into meaningful business intelligence.

"It not only the voice channel that we should be concerned with", points out Jacobs. According to Gartner research, "upwards of 45% of European-based contact centres have already deployed various essential non-voice customer support tools in the form of Email Response Management, Web Chat, Virtual Assistants, Knowledge Based Self Service, Video Self Service and Multi-modal communications. If the organisation is only measuring the voice channel" says Jacobs, "then they are not truly looking at an holistic VoC strategy. They are only listening with one ear and only hearing half the message".

Coupled with a cloud-based hosting model, interaction analytics across all channels and real-time response-driven customer interaction has become not only a practical reality but highly cost-effective as well.

The Remote Workforce.

Despite many of the socio-economic realities facing South Africa and many other African countries; the inordinately high crime rate and a 'work ethic' that leaves much to be desired, the advent of the work-from-home agent is upon us. Looking at the global picture, the remote agent model more than adequately addresses several major operational challenges. For example: finding expanded and experienced (mature) skills and the reduction in staff attrition; greater staff satisfaction; higher productivity and lower infrastructural costs. Contemporary technologies, rapidly expanding high bandwidth telecommunication services and resources such as outsourced QA, workforce management and contract agents all start adding strength to the argument. The remote agent trend is a reality here in South Africa too.

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Moving forward, the challenge will be to recruit, train, deploy and manage a remote workforce - probably in tandem with the conventional site-based contact centre infrastructure. However, for certain types of greenfield or start-up contact centre operations, the combination of cloud-based technologies and a totally remote workforce working on a flextime or contract basis is not only a practical reality, but makes incredibly good sense when all costs are taken into account. Undoubtedly the Work At Home (WaH) model has arrived. It will be fascinating to see how the South African business community adopts to its very real challenges.

Outsourced Quality Assurance and Workforce Management.

The practical, operational and financial benefits of outsourcing all or part of the contact centre's day-to-day QA and WFM functions are enormous. Already many South African companies have taken that 'leap of faith' and are discovering for themselves that not only does outsourcing of these key functions cut massive chunks out of the staffing and infrastructure budget, the feedback and deliverables into the organisation has become an incredibly valuable source of true business intelligence.

It is, however, outsourced workforce management (WFM) that will almost certainly show the fastest ROI. This presupposes that the contact centre operation's strategies and organisational structures embrace the flexible or contract staffing model. Industry analyst and flexible staffing 'guru', Adcorp's Loane Sharp frequently presents a case at seminars and conferences in which he shows compelling evidence that with an effective WFM tool, an experienced WFM resource and the ability to deploy a flexible workforce, for every one hundred contact centre seats, the organisation can potentially save over one million Rand per annum.

Once again, access to cloud-based WFM technologies and to remote or outsourced WFM specialist services is are compelling options for hard-pressed contact centre operators seeking to reduce costs whilst dramatically improving overall quality and customer service.

The Last Word

From the raft of international research that is readily available, it is easy to recognise the clear strategic, operational and technological trends. It is clear that truly successful organisations around the globe are embracing social change and the new service delivery technologies and through these they are deriving massive value for their stakeholders and for the customers that they serve. For South African business there are definite lessons to be learned from these realities.

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