

2007 Executive Survey Report: Insights Into Optimizing Contact Center Performance

A global overview of how contact centers around the world optimize efficiency, revenue and customer satisfaction



Introduction

At Genesys, we understand how challenging it is to manage contact centers in the face of conflicting demands and ever-increasing customer service expectations. Though some great leaps in efficiency and quality have been made over the past decade, contact centers are still in the early stages of evolution.

Today, world-leading contact centers display a unique capability for creating customer intimacy and loyalty. The most innovative contact centers across the globe have moved beyond simply providing reactive customer service, to proactively initiating contact that adds value to relationships and increases customer loyalty.

This Executive Insights report summarizes some of the most advanced strategies deployed to optimize effectiveness and efficiency in customer service.

Profile of Respondents

The value of this optimization research study is reflected in the diversity and size of the organizations that participated. A total of 1,390 contact center managers and customer service executives from 19 different industries and 76 countries were surveyed online in October and November 2006.

Primary Vertical Market

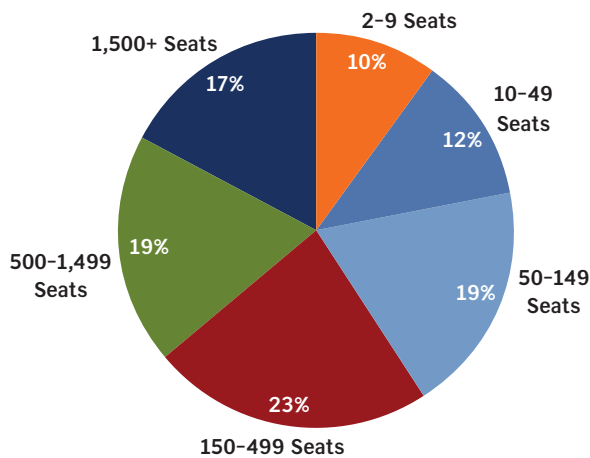
Business and Consulting Services	2%
Contact Center and Business Outsourcing	18%
Consumer Services	2%
Finance—Banking	14%
Finance—Insurance	3%
Finance—Services	2%
Government and Not-for-Profit	4%
Healthcare	1%
Information Technology	12%
Insurance and Superannuation	4%
Manufacturing—Consumables	1%
Manufacturing—Industrial Goods	1%
Media and Entertainment	1%
Other	8%
Retail	1%
Telecommunications	20%
Transport	2%
Travel	3%
Utilities and Resources	2%

Key Findings

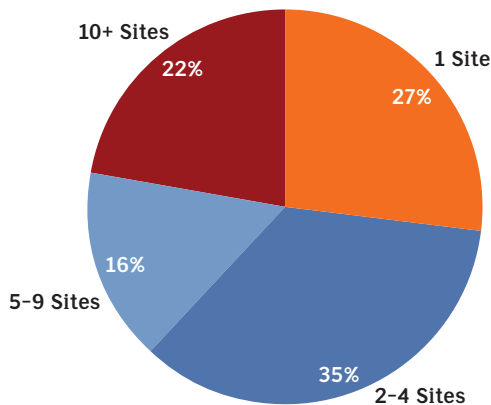
Contact Center Size

Respondents to this survey represented a wide range of contact center sizes: from fewer than 10 seats to more than 1,500 seats; and from single-site contact centers to those with more than 100 sites.

Total Number of Seats



Number of Physical Sites



The fundamental objective of most contact centers is to extract maximum value from each customer interaction—while optimizing the efficiency of that contact. Innovations in technology have already made it easier for managers to balance the two, although contact centers are still in the early stages of evolution.

There are significant opportunities to optimize the use of resources, transform the customer experience, add value and multiply returns. Today, a small number of innovators have recognized the importance of the contact center and transformed it into a strategic tool for managing customer relationships personally and proactively.

This research study investigates how contact centers optimize customer interactions by segmenting and matching customers and agents, and more proactively managing customer interaction. A total of 1,390 contact center managers from a diverse range of organizations around the world were surveyed online in October and November 2006. The key findings from that research are presented here.

Identifying, Segmenting and Prioritizing Customers

The most effective and successful contact centers seek to identify customers at the first available opportunity. They also assess the value of the customer or interaction, determine the level of service to provide and match the customer with the most appropriate resource. However significant opportunities still remain for many contact centers, with:

- 22 percent of contact centers not yet identifying customers before connecting them to agents—bypassing this first and most powerful method of optimizing interactions with existing customers.
- Just 21 percent use advanced analytics to prioritize incoming calls—based on the value of the customer.

- Only 35 percent match their top-value customers to their best agents—instead using an isolated group of high-performing agents.

Segmenting Agents and Matching Customers

Though widely available technology enables contact centers to match particular customer segments or individuals to particular agent segments, the vast majority segment agents only by the most basic of means. Our research reveals:

- Only 22 percent group agents by quality or performance outcomes—routing their most important customers to these top performers.
- Just 22 percent use sales performance results to segment their agents.
- Fewer than 20 percent segment agents according to soft skills.

But some advanced matching occurs. An increasing number of contact centers have started to consider demographic matching, whereby customers and agents are matched according to age and gender. Excluding those that think it is not applicable to their operations, 7 percent of organizations have already introduced demographic matching and 32 percent expect to do so within two years.

Of the organizations that have already implemented demographic matching, 83 percent believe the program is effective and a worthwhile investment, with the remaining 17 percent requiring further time and/or information before evaluating the value of their demographic matching programs.

Cross-Selling and Telemarketing

The goal of optimizing the effectiveness of interactions by segmenting customers, prioritizing service levels, and matching to the best possible agent is to extract maximum value from interactions by selling more products and services to loyal, satisfied customers.

Contact centers offer unique opportunities to cross-sell to customers when they contact an organization, and of those that engage in some form of selling:

- 92 percent encourage agents to cross-sell during inbound service or inquiry calls.
- 19 percent expect agents to cross-sell in every call.
- 46 percent of organizations reported an increase in cross-sell revenues over the previous year, with a median revenue increase of 17 percent.

Outbound telemarketing continues to be an important method for organizations to generate sales, using contact center resources. This study found that 51 percent of respondents use outbound telemarketing and 54 percent see an increase in success rates—while only 4 percent see a decrease.

Dynamic Contact Center Strategies

Optimizing the effectiveness of interactions and the efficiency of those interactions are two strongly entwined objectives. Today, an increasing number of organizations implement contact center management strategies that simultaneously address both objectives. Specifically:

- 28 percent of contact centers manage Average Handle Time by actively directing agents to spend longer on interactions during troughs, and the reverse during peaks. 50 percent consider this an attractive strategy to deploy in their contact center.
- Only 11 percent of contact centers actively manage cross-selling efforts by directing agents to explore cross-sell opportunities more actively and thoroughly during troughs. 51 percent consider this an attractive strategy to deploy in their contact center.

- 17 percent of contact centers use voice call-back during peaks to offer to return customers calls at a later time. 56 percent consider this an attractive strategy for the future.
- 11 percent of contact centers add other staff to contact center queues during peaks. 37 percent consider this an attractive strategy to deploy in their contact center.
- 13 percent overflow calls to other staff elsewhere in the organization during peaks in volume. 40 percent consider this an attractive strategy.
- 16 percent overflow calls to an outsourcer during peaks. 34 percent consider this a viable strategy.
- 18 percent blend agents' calling activities to make outbound calls during troughs of inbound activity. 51 percent consider this a viable strategy.
- 26 percent expand the agent's role to include managing interactions through other channels—such as email and SMS. 55 percent consider this a viable solution to improve efficiency and service quality.
- 23 percent expand agents' roles to include workflow tasks beyond customer interaction, to better use agent resources during troughs. 53 percent consider this an attractive strategy to deploy in their contact center.

The popularity of these strategies highlights the value of an automated dynamic approach to contact center management, in which managers dynamically integrate all available technology and business processes to manage agent productivity, prioritize business objectives, and respond to fluctuations in demand from moment to moment.

Proactive Notification and Interaction

Proactive notification is an increasingly popular method for improving customer service and satisfaction, as well as contact center efficiency. Many contact centers can predict when and why they will receive a significant volume of calls, and some have found they can preempt those calls with an SMS or email message or a call from an agent. Others use proactive notification strategies to keep customers more informed about progress in the delivery of a service, and provide updates or value-added information: 21 percent already use proactive notification and interaction strategies, and 45 percent expect to within the next two years.

Online Web Chat

Consumers are increasingly interested in communicating with companies by web chat instead of over the phone. In addition to responding to consumer preferences, online chat can benefit contact centers by increasing online sales and lowering the cost-to-serve. Organizations increasingly recognize the importance of online chat as part of a multichannel strategy, with:

- 14 percent of the contact centers in our study already supporting online chat.
- 51 percent of the remainder (excluding organizations for which online chat is irrelevant) intending to implement online chat within the next two years.
- Only 14 percent proactively initiating web chat sessions.

Conclusion—Optimizing Contact Center Performance

Where to Go for More Information

Managing the often-conflicting demands of customer satisfaction, revenue pressures and business efficiency will always present a challenge for contact center managers. Although today's world-leading contact centers are transforming the customer experience and exploring new territory for customer intimacy and loyalty, opportunities to evolve and improve still exist.

Organizations that want to remain competitive will have to evolve beyond simply providing reactive customer service, to proactively initiating contact and establishing stronger bonds with customers. When combined and working in harmony, existing solutions and strategies—such as actively managing handle time and cross-sell activity and offering voice call-back—become even more valuable by delivering greater results for customer satisfaction and organizational profitability.

By fully integrating various contact center capabilities—all of which are already in use around the world—the Dynamic Contact Center will enable all contact centers to consistently achieve an optimal balance between productivity, quality and revenue.

More detailed regional reports of results of this study are available by request from Genesys. Please visit www.genesyslab.com or contact your local Genesys representative.



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