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CONTACT CENTER & CUSTOMER EXPERIENCE TRENDS 2018

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The customer experience management space has its share of unsubstantiated hype, and companies are struggling to distinguish the hype from authentic best practices. This document cuts through that hype and reveals the programs and technologies that should be top-of-mind in 2018.

Forget the Hype. What are Contact Center & CX Leaders Really Planning?

Digital transformation, big data, artificial intelligence, smart workplace... The list of trends that customer experience (CX) and contact center leaders must stay on top of is daunting. Almost every year there is a new trend presented as the next big thing every company needs to survive.

By 2012, big data was everywhere. It was presented as the latest 'must-have' technology trend. In essence, big data wasn't a new technology. It wasn't a revolutionary concept that companies could use to disrupt competition. The term refers to the continuously growing volume of data companies capture and generate. There are numerous technologies available to standardize the processes used to capture this growing volume of data, store it, analyze it, and dispose of it.

One can argue that the volume of data has been growing at a rapid pace for several hundred years, especially since the invention of the printing press in Europe, in approximately 1440. The difference is that the pace of growth in data volume has been faster than ever before, and it's expected to remain that way. Briefly, big data was essentially referring to the continuous growth of structured and unstructured data over the past several hundred years.

In 2016 and 2017, digital transformation took over. Just like big data, digital transformation is simply referring to the obvious trend that digital technologies are playing an increasing role in both consumer and business activities. Consumers have been using websites such as Yelp!, Angie's List, and Amazon.com to make more educated buying decisions. They also use social media portals such as Facebook, Twitter, Instagram and others to interact with friends, family, colleagues and even complete strangers to seek help when making purchases, as well as share their experiences interacting with different brands and companies.



Businesses have also been digitally transforming for decades. The first inter-city fax was transmitted in 1907. The first telephone pager was patented in 1949 in New York. Email was invented in the 1970s, and during the 1990s it became the common form of communication across many businesses. Other digital communication channels such as social media, online communities, live chat, text messaging and others are also hardly newcomers to business communications. Thus, *digital transformation is not a new concept or trend. It's also not a new technology. It's merely a process where companies have been continuously evolving by adding new communication channels and digital tools to their existing activities.*

This means that CX leaders shouldn't be worried about the unknown presented as digital transformation. What they must really focus on is 'digital enablement.' This refers to using today's digital channels in such a way that companies are more likely to achieve their objectives. These objectives can be growing company revenue, reducing cost, improving time-to-information, reducing compliance risks, etc. Whatever the goals may be, it's important that CX leaders first clearly define the core goals and values driving their customer experience management efforts.

Key Technology Trends

Throughout 2017, Aberdeen surveyed CX leaders in companies across the globe to determine the technologies and processes they currently use and plan to incorporate for Best-in-Class results. The list of technologies companies use to manage customer experiences is extensive. Figure 1 shows the highest-ranking ones for planned adoption in 2018 and beyond.

Figure 1: A Close Look at Current & Planned CX Technology Adoption

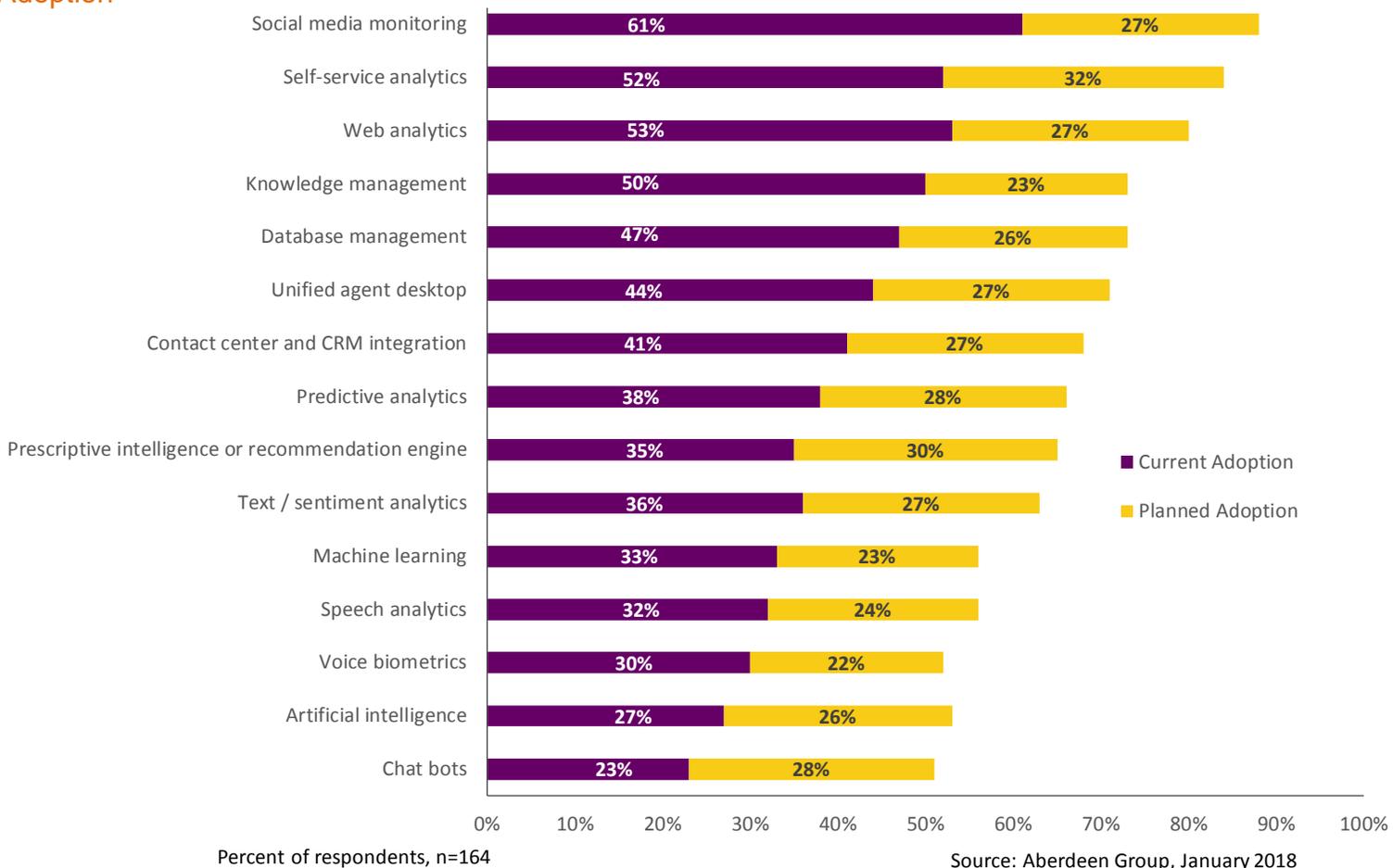


Figure 1 provides a long list of technologies that are on CX leaders' radar. Before we take a closer look at some of these technologies, it's important to note that every firm has different priorities. These priorities are highly influenced by customer expectations. The technologies companies will adopt will vary based on these expectations along with other factors such as organizational resources.

Self-service analytics: This is the technology with the highest planned adoption rate. It refers to using business intelligence to analyze **self-service interactions** through interactive voice response (IVR), self-service websites and chat bots. While self-service and analytics are not new technologies, companies recognize the growing customer demand to address (simple) issues such as account balance checks and password resets. In turn, the data shows that more firms are planning to implement



self-service analytics to gauge their success in helping customers help themselves.

Prescriptive intelligence / recommendation engines: This technology represents the second highest planned adoption rate. It helps firms analyze historical and real-time data and prescribe / recommend next best actions the firm must take to achieve its goals. For example, if the goal is to grow cross-sell and up-sell revenue, this technology can analyze historical interactions involving cross-sell / up-sell and find the common characteristics across these interactions, then recommend next steps to maximize the potential for success. This technology utilizes some of the other technology capabilities listed in Figure 2, including machine learning, predictive analytics, and artificial intelligence.

Machine learning and artificial intelligence (AI): These two technology capabilities are among the most popular technology terms of 2017, and they're expected to stay that way in 2018. Unfortunately, many firms are unclear about the distinction between the two, and regularly refer to machine learning capabilities as AI. To this point, the former refers to a technology that automatically analyzes data and learns from it - without regular human intervention / programming. Examples of this capability is analyzing customer traffic volumes in a contact center and identifying evolving factors (e.g., inclement weather, surge in negative social media comments) influencing customer traffic volumes through machine learning, instead of relying on data scientists to do the same.

AI, on the other hand, goes beyond learning. It uses data to mimic human learning and decision-making capabilities. For example, in the above scenario, AI would use the insights gleaned through machine learning by automatically adjusting agent schedules by observing factors impacting customer traffic levels. This, in turn, would help the contact center minimize overstaffing and understaffing while ensuring that customer needs are met in a timely and effective fashion.

Figure 1 shows that both machine learning and AI are high on the priority list of CX leaders in 2018. See the March 2017 [Cognitive Customer Experience: The Future is Here](#) study to learn more about how these technologies influence customer experience results.

Chat Bots: The technology with the third highest rank in planned adoption is chat bots. Aberdeen defines chat bots (also referred to as 'bots') as technology tools serving as digital employees that help firms handle a variety of customer needs, including helping customers generate a quote for a new product on the company website and responding to



client inquiries for services such as password resets or checking account balances.

Chat bot conversations can use voice and text. As such, they might take place through the web, mobile applications, social media (e.g., Facebook Messenger), text messaging, and connected devices such as Google Home and Amazon Echo. The findings from Aberdeen's October 2017 [Chat Bots in Customer Experience: The Modern Way to Sell More & Serve Better](#) study shows that 23% of firms currently use this technology. Figure 1 shows that 28% of firms have plans to consider incorporating it within their CX technology toolbox in 2018 and beyond. We recommend firms planning to deploy a chat bot to first consider the primary goal and use cases. Without a clear plan, a bot will likely frustrate customers by offering another touch-point that might not address their needs. See Aberdeen's [related study](#) to learn how successful firms using chat bots achieve desired results.

Social Media Monitoring, Web Analytics, Unified Agent Desktop, Text analytics, Contact Center and CRM integration: These technologies share the fourth spot for highest planned technology adoption in 2018. Each of them provide unique benefits. [Social media monitoring](#) allows firms to monitor customer-generated social media content such as Facebook posts and Tweets automatically based on certain filters set by the company. Web analytics allows organizations to observe web visitation data to learn how website visitors consume content, how much time they spend on specific websites, etc. This data allows marketers to better design and manage web experiences.

[Unified agent desktop](#) tools allow agents to easily access multiple enterprise systems through a single application / agent desktop. In turn, this decreases unnecessary time agents spend navigating multiple applications to do their job.

Text analytics helps organizations gauge customer sentiment by identifying common words used in text interactions such as agent notes and live chats, and determining the context of the interactions. Contact center and CRM integration allows firms to easily access customer data stored within the CRM systems through contact center systems such as the agent desktop.

The common element across these five technologies is that they are not newcomers to the CX technology landscape. In fact, many (e.g., web analytics and unified agent desktop) have been available for more than a decade. The high planned adoption rates for these technologies signal that companies are now becoming more mature in understanding that



these are not ‘nice-to-have,’ but ‘must-have’ tools to successfully manage the various elements of CX programs.

Voice biometrics: This technology is increasingly becoming popular largely due to the increasing number of high-profile customer data protection issues firms such as Experian, Target, Sony, and others have experienced over the past several years. Voice biometrics allow companies to authenticate customers by using voice, instead of methods such as a password or identification number. Specifically, customers can be asked to repeat a specific phrase or set of phrases that the company would then capture / record. The next time the customer calls, the customer’s voice in the current interactions would be analyzed using the original recording to authenticate. This process can also be executed without requiring the customers to repeat specific phrases, but rather automatically analyzing the voice biometric data during a call and using it in future conversations for authentication.

Use of voice biometrics helps firms use a natural element of customer conversations – voice – as a method of authentication, therefore decreasing customer effort since callers won’t need to remember yet another password or disclose sensitive information. It also enhances security for both companies and customers by minimizing the risk of third-party access to sensitive insights, such as home addresses, or making changes on customer’s behalf, such as transferring funds from bank accounts. Such increased security provides firms with a method of differentiation in CX programs. Specifically, they can highlight their focus on protecting customer data privacy as a differentiator, demonstrating why buyers should work with their business instead of their competitors.

Key Process Trends

Investing in the right CX technologies is vital to ensuring proper use of organizational resources and achieving desired objectives. However, **simply incorporating a new technology or upgrading an existing one isn’t enough to achieve Best-in-Class results** such as the ones highlighted in Aberdeen’s **CX** research. For that, **companies must combine the right processes with proper technology utilization.** Below are four process trends CX executives are increasingly focusing on in 2018 and beyond.

Customer journey mapping: In the **CX Process Trends 2017** study, Aberdeen noted that CX leaders were planning to continue their focus on establishing the building blocks for omni-channel programs – defined as the ability to deliver consistent and personalized customer interactions across all channels. The same study also highlighted renewed emphasis



for companies managing the entire customer lifecycle, made up of distinct journeys.

Aberdeen's February 2017 [CEM Executive's Agenda 2017: Data-Driven Approach to Delight Customers](#) study shows that 43% of companies currently have a process to map customer journeys. Data from that 2017 study shows that more companies have plans to build customer journey maps. While journey mapping seems to be a priority for many CX leaders, companies haven't found ways to successfully manage this activity. For many firms, journey mapping is a one-time exercise, often outsourced to a third-party such as a CX consulting services provider who shares the maps with relevant stakeholders after a process that often takes several months. In reality, however, customer journeys are dynamic. Customer behavior evolves rapidly, and so do the related journeys. Therefore, to keep up with changing buyer behavior, companies must have real-time visibility into customer journeys. Only then will firms deliver truly omni-channel interactions.

Establishing real-time views into customer journeys is virtually impossible by one-time journey mapping assessments, as customer interactions often involve multiple touch-points, and firms have a wealth of data to analyze to build accurate journey maps. However, using technology tools supported by machine learning and business intelligence allows firms to process vast volumes of data and build real-time views of customer journeys that employees throughout the business can use to do their jobs.

Automation: CX programs are getting more complex. Customer expectations evolve at a faster pace, and companies use more channels to interact with their current and prospective customers. In fact, Aberdeen's October 2017 [Omni-Channel Customer Care: How to Deliver Context-Driven Experiences](#) study shows that 51% of firms use at least eight channels within their CX programs. Therefore, managing conversations across all these channels to deliver omni-channel interactions is no easy feat. In addition, the resources available to manage CX programs often don't grow in proportion with the complexity of customer experience programs. This means that companies must get more efficient in managing customer interactions.

Automation allows firms to drive such efficiency. For example, companies use data scientists to analyze self-service website visits and project the number of phone calls that the contact center would receive based on changes in the number of self-service interactions. This data would then be used for scheduling agents. Automation decreases reliance on data scientists during this process by automating the activities involved in analyzing self-service data and creating or updating agent schedules.



This means firms with automation reduce the time to make critical decisions that impact their performance while also decreasing labor costs due to less reliance on data scientists.

Rediscovering the fundamentals of CX programs: While customer experience is a top priority for almost all firms, many companies don't know where to get started. Companies across almost all industries seek answers for:

- Who is responsible for overseeing the CX program?
- How will we get organizational buy-in from all stakeholders?
- Which performance measures should be used to gauge success?

The fact that many firms are looking for answers to these questions is encouraging. It means that we're now past the days where building CX programs were treated as 'pilot programs,' or were managed as ad-hoc activities. For many firms looking for who must take the lead for the CX program, the answer is often 'it depends.' Senior leaders across most firms are measured on various goals, and every employee from entry-level associates to the CEO have a direct impact on customer experiences. Therefore, the simple answer to CX program ownership is 'CX is everyone's responsibility.' However, to truly succeed, CX must start at the top where the CEO communicates the importance of the CX program on company success, and works with others to weave CX within the organizational DNA.

For employees to truly embrace CX programs and incorporate them into their own activities, firms must follow a 'carrot and stick' approach. The proverbial 'carrot' in this approach is the department heads educating their teams on how a keen focus on better managing customer experiences helps each employee become more successful. The 'stick' is incorporating CX performance measures such as customer satisfaction, customer renewal rates, and positive social media mentions as metrics by which to measure employee performance.

Augmented intelligence: While AI is top of mind for many CX practitioners, not all customer interactions today are suited to be handled with the current capabilities provided by AI. For example, a healthcare patient might seek an insurance firm to fix an erroneous bill that includes a service not rendered by the healthcare provider. This will require the insurance firm to find the right department in the hospital, verify the claim, and update the account data. AI systems today are not sophisticated



enough to handle these communications independently. This is where augmented intelligence comes in.

Augmented intelligence refers to incorporating elements of machine learning and AI to help humans do their jobs better. In the example above, the insurance firm would use machine learning to guide the contact center agent with the proper contact information in the hospital to verify the patient claim. This guidance would be based on an analysis of previous interactions with the same hospital for the same issue. In turn, this eliminates the agent's need to navigate different contacts in the hospital to verify the patient claim or spend time communicating with other agents who might provide guidance with the right contact information. As a result, the agent is able to get answers much faster, resulting in decreased average handle time and reduced customer effort.

Using AI to manage all customer conversations is a very big leap. However, using elements of AI and machine learning to augment contact center agent activities enables firms to quickly gain efficiency by improving employee productivity, increasing business agility, and being more responsive to customer requests overall. We anticipate firms will increasingly focus on augmenting their use of AI and machine learning with activities managed by humans over the next two to three years, and gradually incorporate cognitive technologies in their activities.

Key Takeaways

It's easy for CX leaders to get lost in the hype. There is an abundance of technologies and processes that are positioned as game-changers, and then forgotten in a few months. Instead of relying on 'buzz' to make the right technology and process decisions, this report provides firms with an overview of the top areas CX leaders plan to focus on in 2018 and beyond.

If the technologies and processes highlighted in this report are already a part of your business, we recommend closely monitoring their performance to ensure returns are maximized from your investment. If you're not currently using these processes or technologies, then we recommend you consider how they might influence your CX programs to ensure you're not missing out on trends and best practices your peers are using to manage customer interactions.

Related Research

Omni-Channel Customer Care: How to Deliver Context-Driven Experiences; October 2017

Chat Bots in Customer Experience: The Modern Way to Sell More & Serve Better; June 2017

Voice of the Customer: Stop Just Collecting Data, Act On It!; March 2017

CEM Executive's Agenda 2017: Data-Driven Approach to Delight Customers; February 2017

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