



Autonomous Customer 2021

Cloudy with a good chance of AI



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Introduction

Not many could have predicted the events of the past year, but in a short space of time we've learnt a lot about the importance of contact in a changing world. Restrictions have forced millions of customers online, placing contact centres firmly on the frontline of brand experience.



There's been a radical shift in consumers' behaviour and in their expectations of customer contact.

This is why we felt it was crucial to bring forward our Autonomous Customer research to explore the experience of consumers and contact centre agents and to look at what the findings mean for the future.

What we've found is that contact centres are becoming more challenging places to work. Agents are having to cope with a massive surge in demand and are being asked to provide higher levels of service than ever before. Customers increasingly want faster, more straightforward and secure solutions to their issues, available across multiple channels. And agents are asking to be better equipped to deal with these challenges.

Take up of new innovations and smart cloud-based services that use integrated AI will rise to support agents.

The bar for great customer service is now higher than ever. We hope our insight will help you meet the complex and changing needs of your customers and look after your agents as pressure mounts. An effective digital transformation is all about using the right technology to empower your people. Remember, it's the human qualities in your organisation, like empathy and intuition, that form the connections that create satisfied, loyal customers.

Shay Walsh,
Managing Director, BT Ireland

Foreword

2020 has proven a year unlike any other, and its impact across societies has forever changed many elements of how companies serve and engage with their customers.



The major disrupter setting so many service trends in motion was a nearly complete shutdown of traditional brick and mortar commerce across the globe. This had an immediate effect in technology investment areas which were seeing gradual acceleration, such as cloud contact centres, experience sudden rapid adoption. Estimates are that an entire year of customer experience technology spend expected in 2022 will accelerate into 2021, a number in the billions.

Leading companies have known for years that the only sustainable business advantage they possess is the customer experience they deliver. Those that had invested in improving their customer experiences, particularly digital engagement, reaped the benefits of such investments. Other firms found themselves in positions where they required a rapid response to this new reality.

As a result, the contact centre found itself with a new elevated status in the enterprise. The combination of digital engagement, mobile, and the contact centre formed the new consortium of commerce for many companies that made the shift from physical to virtual engagement not only desirable, but required for survival.

As we move forward into 2021, we will see more continued acceleration of key trends already in motion. I expect leading organisations to invest in both customer facing and agent retention technologies as they realise

the contact centre agent has become the literal “brand ambassador” for many businesses. The march of digital engagement will continue unabated, as choice and convenience are at the top of the consumer’s list. And work from home, always a small portion of most contact centre operations, will become the de facto operating model for contact centres globally.

Cisco and its partners, like BT, understand these new realities and are delivering new solutions and services to allow companies to move past survival and therefore thrive in the year ahead.

Jeff Boslem,
Regional Director,
SP and Partner Collaboration, Cisco

Overview

Over the past 12 months, we've all witnessed and shared in the massive shift to online as the coronavirus restrictions hit everyday life. Brands and retailers have reconfigured their businesses at high speed to meet the needs of millions of new digital customers.

The contact centre has never been more central to the brand experience. But contact centres have found themselves handling a flood of new consumer enquiries while simultaneously introducing thousands of agents – like the rest of us – to working from home. These changes are unlikely to reverse, so what's the impact for consumers and agents? And how can we create the contact centre experience that they want for the future?



Our research reveals five key findings.

1.

The shift to online has raised the bar for customer service. People will still **buy more** from companies that have excellent customer service.

2.

Customers want service that is **convenient** with a choice of contact channels, and for data and interactions to be **secure**. When they can't get an answer any other way, they still prefer to pick up the **phone**.

3.

Work in a contact centre remains challenging. Agents report queries are getting **harder to resolve**, wait times are too long and consumers are often juggling other domestic tasks when they call. **Simplicity** has never been more important.

4.

Agents say they could do a better job with **better technology**. They'd like to see core contact centre systems upgraded to provide faster logging on, single screen working and faster access to information. And they'd like to be properly equipped for working at home.

5.

Personalised, protective services will let companies clear the higher bar of customer expectation. Add **AI** technology and you can deliver convenient, timely reminders and services that address that customer need for 'easier'.

Five insights for 2021

1. It's not easy: the shift to online raises the bar for customer service

Some things don't change: people remain willing to buy more from companies that have excellent customer service. But they're telling us they want an even better experience before, during and after the transaction. They want it to be a lot easier. For most consumers, convenience is now more important than price.

76% of consumers buy more from companies with excellent customer service

58% of consumers say convenience is more important than price

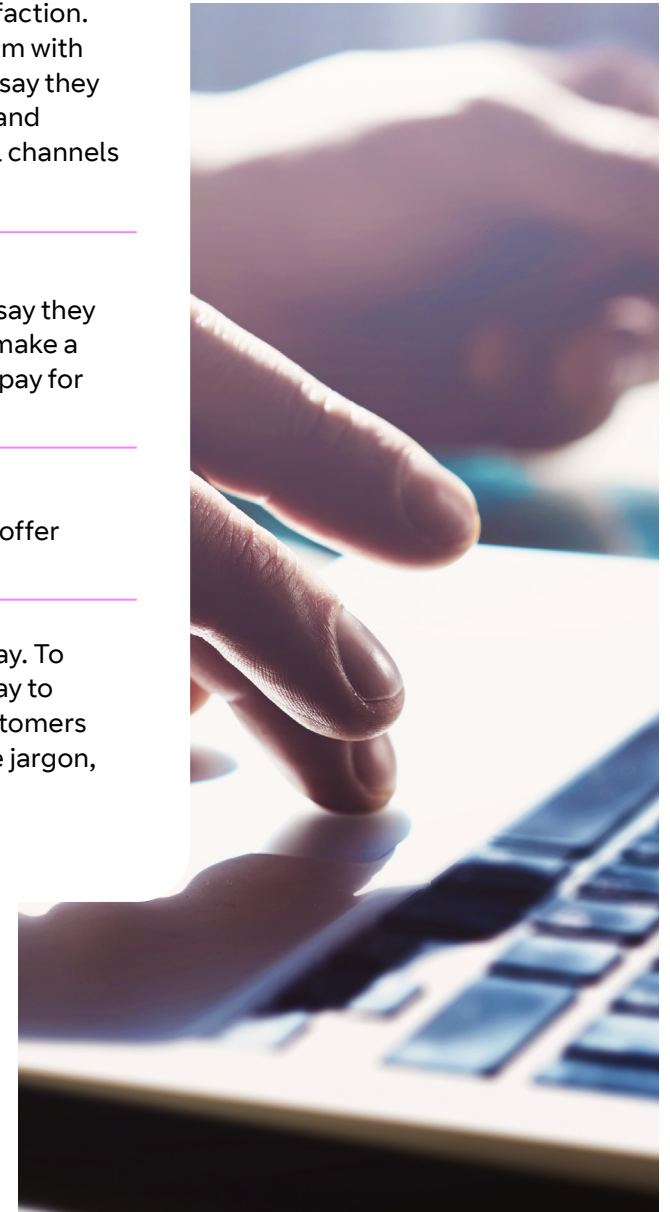
The crisis has accelerated digital transformation plans everywhere and contact centres are no exception. We've seen years of change happen in just weeks, including rapid transition to the cloud, the introduction of new digital channels and enabling working from home for customer service agents – a move that would have been unthinkable for many businesses not so long ago.

However, it's not yet working to everyone's satisfaction. Eight in ten consumers reported having a problem with service in the last six months and three quarters say they find dealing with customer service issues 'tiring and exhausting'. Two thirds of agents say their digital channels offer only limited support.

82% of consumers in the last six months say they could not purchase a product or service online, make a change to their basket, choose a delivery slot or pay for an order

64% of agents say their digital channels offer limited support only

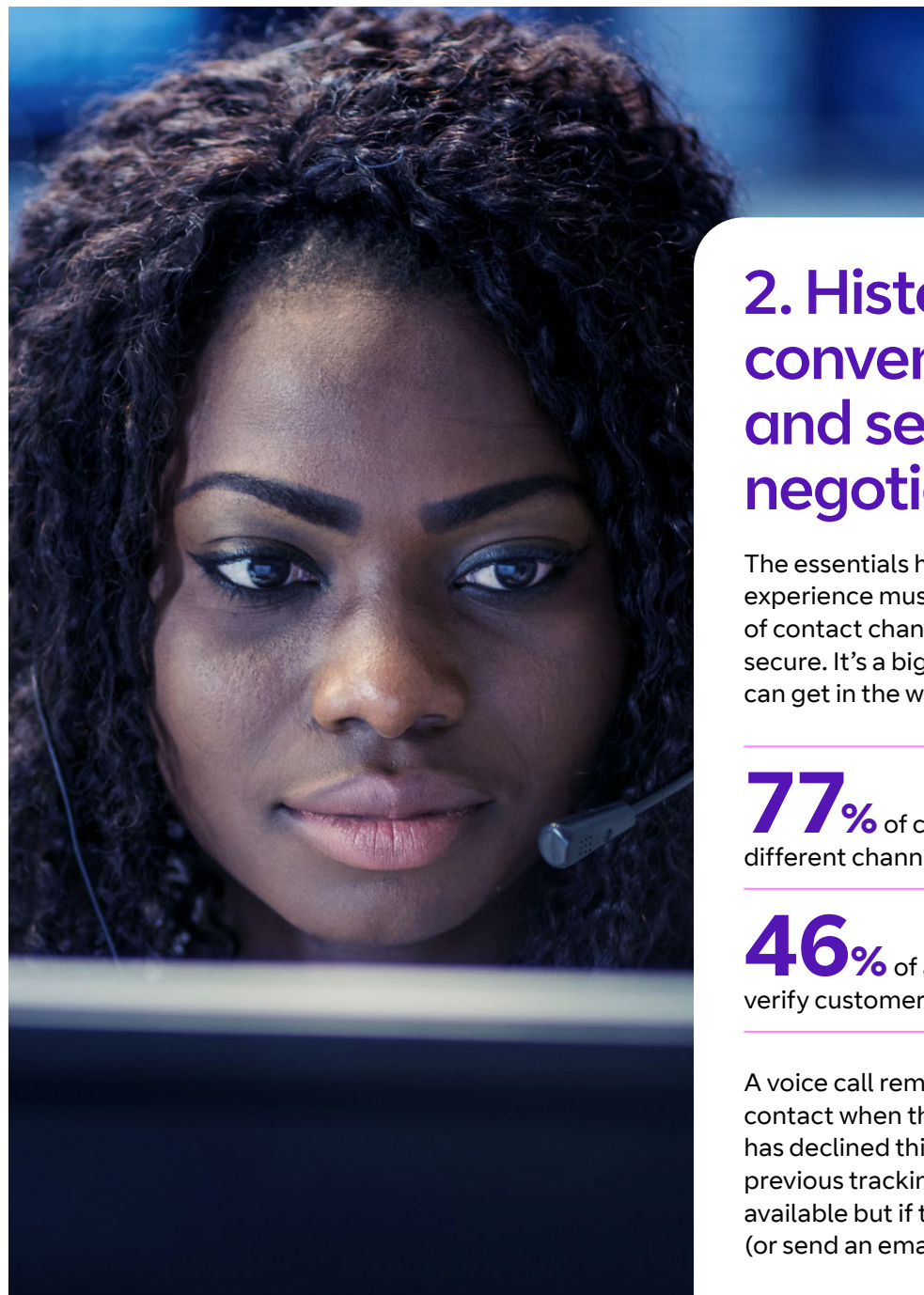
It looks like the global shift to online is here to stay. To fully benefit, organisations must rapidly find a way to deliver great omnichannel service for digital customers throughout their shopping journey. Or, to cut the jargon, just make it easier.



What if you could adapt the capabilities and reach of your contact centre at an ever-faster pace?

Questions to ask yourself:

1. Where are we on our journey to the cloud?
2. Are we able to adapt at pace and adopt new technology to meet our customers' ever-changing needs?
3. Is our current contact centre strategy responsive or proactive – can our solution scale up / down, allow customers to get in touch how they want, and enable secure remote access for our workers?
4. How could we use new technology to cope with contact centre demand and improve the customer experience?
5. How easy is it for our customers to get in touch through our website, and continue their journey across many different channels?



2. History repeats itself: convenience, choice and security are non-negotiable

The essentials have not changed. A great customer service experience must be convenient – and that means a choice of contact channels – and data and interactions must be secure. It's a big ask. There are always trade-offs – security can get in the way of convenience, for example.

77% of consumers want organisations to offer different channels to meet their needs

46% of agents say it takes too long to identify and verify customers

A voice call remains customers' number one choice for contact when they can't get an answer online. Phone usage has declined this year but only by a little. We know from previous tracking that consumers will use any channel available but if they don't get resolution, they will ring up (or send an email).

You must provide a range of channels. We know from previous research that consumers are willing to give new technologies a go. Our research shows that in 2020, home technologies such as smart speakers and TVs have been put to work and consumers have used voice recognition to make online purchases. Maybe this indicates a preference for using natural language? Or perhaps smart speakers generate more voice calls to the contact centre ('Alexa, call BT for me')? And while we've all used more video for work and socialising in 2020, this hasn't translated into widespread application for customer service although it has accelerated niche applications such as remote diagnostics and healthcare consultations.

The more channels you add, the greater the burden on your security set-up. Yet there's a real opportunity for customer-facing businesses to make security a differentiator. Consumers value companies they perceive as more secure.

The public is ready to welcome the deployment of AI, biometrics and other technologies if they make life online more secure. The organisation that actively highlights and promotes robust cybersecurity measures will build trust and confidence in its digital products and services and enjoy a distinctive competitive advantage.

"Although customers are saying that they want to use video chat more in the future (I'm not convinced this will happen, by the way) – I suspect it's because they're using it a lot at the moment."

Dr Nicola Millard,
Principal Innovation Partner

50% of consumers say phoning is the best way to get a result

45% of consumers used the phone to get results when they had a problem with online self-service (42% used email)

80% of agents say customers are more likely to call about issues they could resolve online

28% of consumers made a purchase through smart speaker in 2020



What if you could join up all your channels and deliver excellent customer service for less?

Questions to ask yourself:

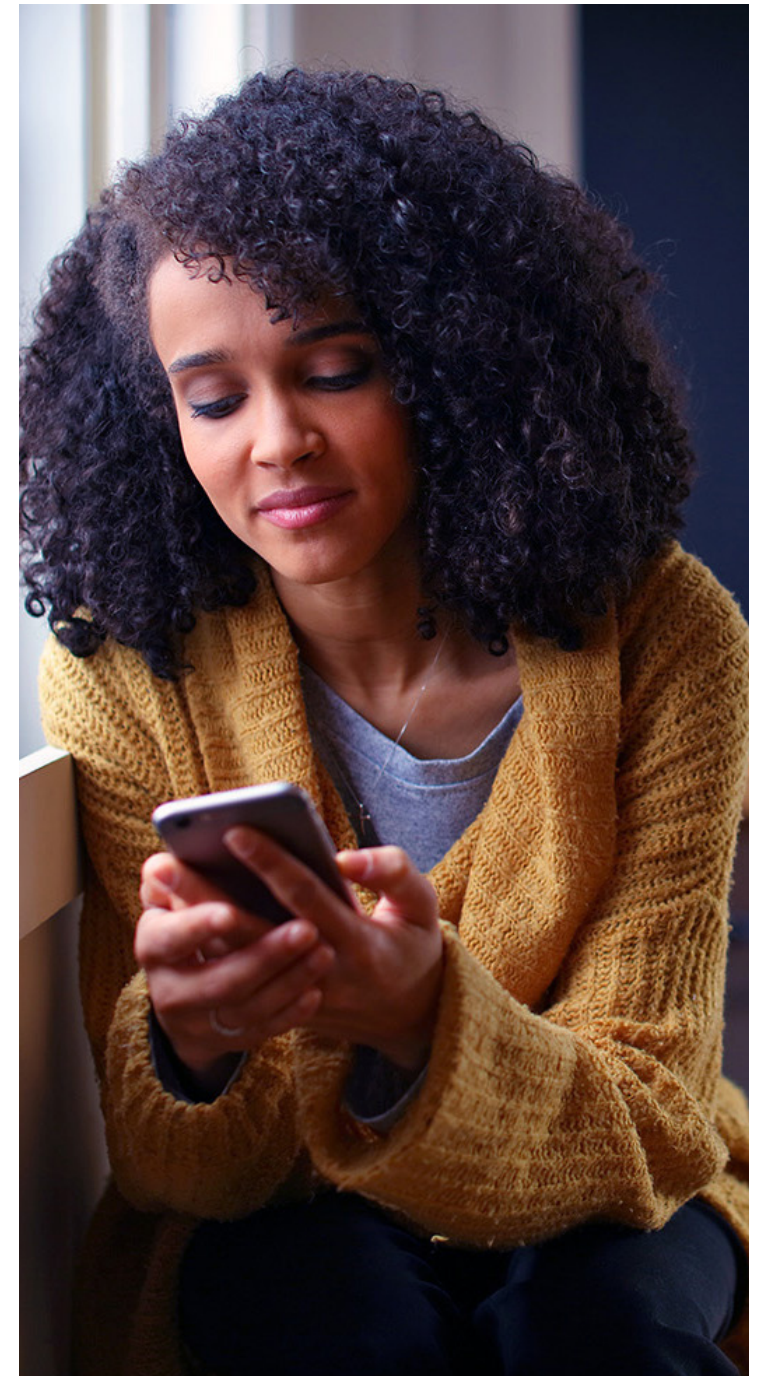
1. Do we offer the channels our customers prefer, and do we make it easy for them to use a mix of those channels to get in touch with us?
2. When / why do customers contact us by phone? How can we use other technologies (webchat, IVR) to complement our phone service and improve our response?
3. What are the most appropriate channels for specific purposes – e.g. self-service for simple tasks, voice for urgent queries?
4. Can customers move seamlessly between contact channels if they need to – e.g. from webchat to a voice call with the same agent?
5. What are the current security limitations of our contact channels? How can we make security easier for customers?

Pick and mix – how and why customers choose channels

Consumers pick different channels for different circumstances, and what's 'convenient' depends on what they want to achieve.

To understand the interplay between convenience and choice, it's helpful to think about how customers behave depending on their motivation, context and attitude. We work with three broad categories of customer behaviour: 'visionary', 'utilitarian' and 'customer in crisis'.

Visionary	Utilitarian	Customers in crisis
<p>Visionary customers are usually in a good mood, considering a lifestyle choice – booking a holiday or buying a home. They are positive, motivated and willing to spend time in research and even enjoy doing so.</p> <p>Visionary customers are happy to use any channels out there that will help them achieve their goal – online, webchat, face to face / in-store.</p>	<p>Utilitarian customers just want to complete routine jobs such as paying bills, buying a train ticket or renewing a subscription. These are low value, emotionally neutral tasks (as long as they go to plan).</p> <p>Utilitarian customers simply want service channels that let them tick off their 'to do' list.</p> <p>They'll be happy to use an app or self-service online, as long as it's straightforward.</p>	<p>Customers in crisis need an urgent solution to a problem. Frustration, anger, worry or other negative emotions make them unwilling to tolerate any channel that does not take them towards their goal.</p> <p>Customers in crisis especially want the reassurance of traditional face-to-face or telephone contact with a knowledgeable and empathetic agent.</p>



3. Life in the contact centre gets ever more challenging

The contact centre is central to the brand experience and agents understand that. And our data suggests that contact centres have (mostly) risen to the challenge of the pandemic. But customer behaviour sometimes makes it harder for agents to deliver the service they would like to provide. And the pressures of 2020 have exacerbated the problem.

87% of agents say they are a valuable part of the brand experience

Working in a contact centre is tough. Callers can be rude or unfriendly. Handling complex and impassioned conversations with people under pressure is emotional labour but good agents enjoy the professional challenge and personal satisfaction of finding solutions to problems.

Over the months of the coronavirus crisis, agents say queries have become more likely to be difficult to answer (one consequence perhaps of the impact on the travel industry, with callers in trouble overseas). Caller impatience is compounded by longer wait times as companies have lifted and shifted contact centre operations as part of their response to the pandemic. This trend further amplifies the need to understand and engineer the right response to visionary / utilitarian / customer-in-crisis behaviours. (If you phone, then you're probably 'in crisis'.)

48% of agents say we keep customers waiting too long to have their call answered

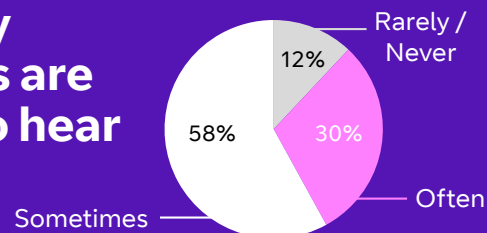
We asked consumers what else they were doing when they rang the contact centre. Their responses go some way to explaining why there is so much discontent with the contact centre experience on both sides. Look at what people are up to when they call – cooking, cleaning, watching TV, eating, even driving. And when people are multitasking like this (perhaps more than ever in this year of #WFH), they are likely to be distracted, impatient and stressed.

83% of customers say the last time they phoned a call or contact centre, they were doing one of the following at the same time...

watching TV (37%), eating (26%), driving (11%)

When agents don't have a caller's full attention, simplicity matters. Customers can't take on-board complex information if they are spinning several plates at once. It also highlights the importance of follow-up messages to confirm what was agreed during a call.

Contact centre agents say customers are difficult to hear



83% of customers say the last time they phoned a contact centre, they were doing one of the following at the same time...

46%
On the internet
37%
Watching TV

17%
Cleaning
11%
Driving

31%
On social media
19%
Cooking

26%
Eating food
11%
Travelling

25%
Working

What if you could give your agents access to the information and expertise they need to deliver a brilliant customer experience every time?

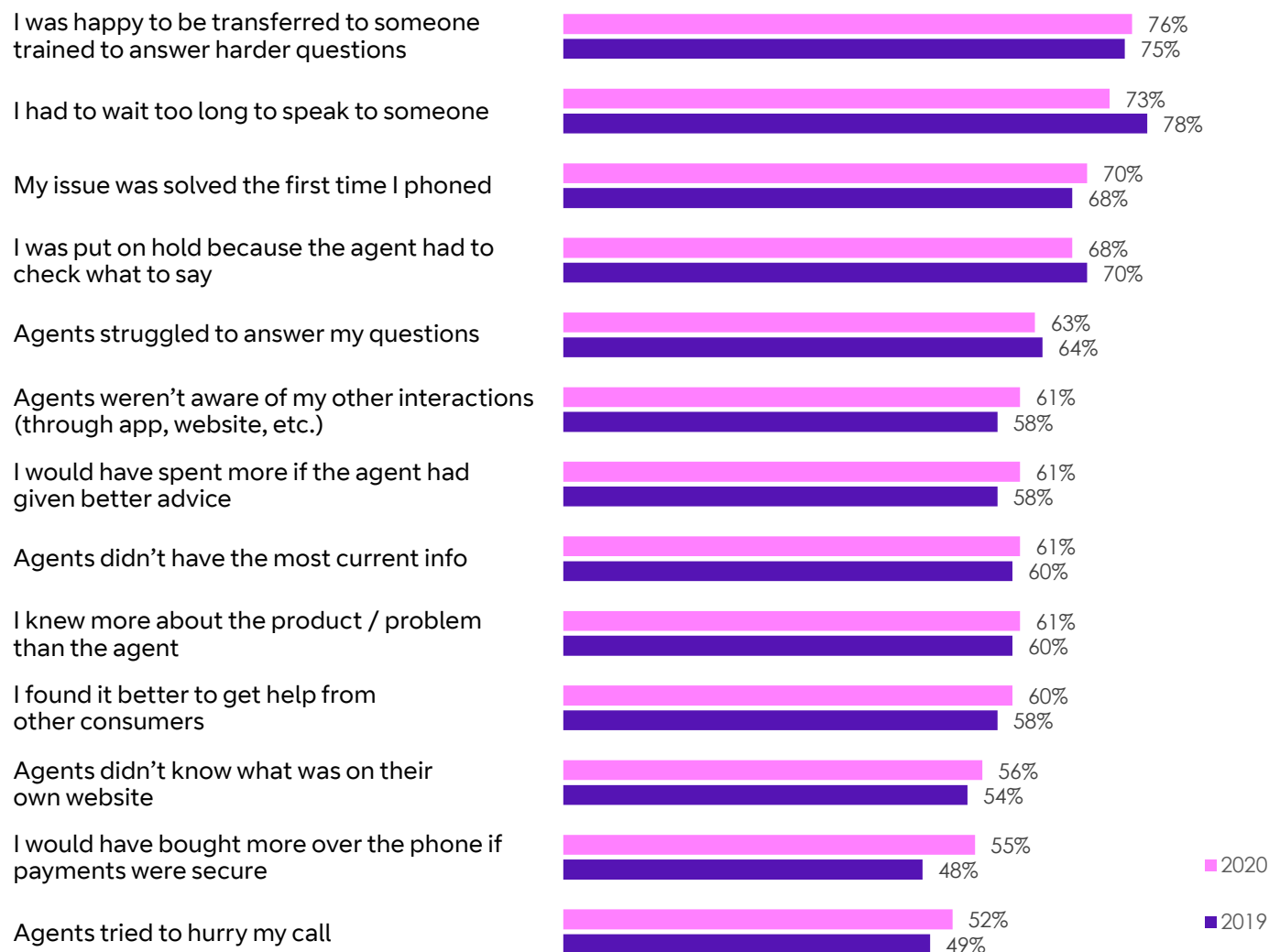
Questions to ask yourself:

1. Do we understand the pressures our agents are working under? How could we leverage technology to make their lives easier?
2. How can we give our agents access to everything they need in a single desktop?
3. Does our current technology have the intelligence to get customers talking to the right agents where necessary?
4. How could we better equip our agents with the knowledge they need to resolve an issue at the first opportunity?
5. How do we share knowledge and data about customer issues across the business so that we can identify / rectify common problems and improve the customer experience?

Contact centre success

Comparing 2019 to 2020, consumers rate contact centres as performing better across most key metrics

Which if any of the following have you experienced when calling an organisation over the past 12 months?



4. The agent's wish list: (1) update our core technologies, (2) give me the right #WFH set-up

Agents are clear that current contact centre technology is falling short of what they need to do a good job. Like consumers, agents would also like their contact centre experience to be easier. They identify multiple barriers to performance such as lengthy log-on processes, having to switch between multiple screens and slow-running systems.

52% spend too much time trying to find information

59% have to use multiple screens to resolve customer issues

56% have to complete operations manually (such as typing in information)

The result is frustration for agents, dissatisfaction for customers and inefficiencies and costs for the

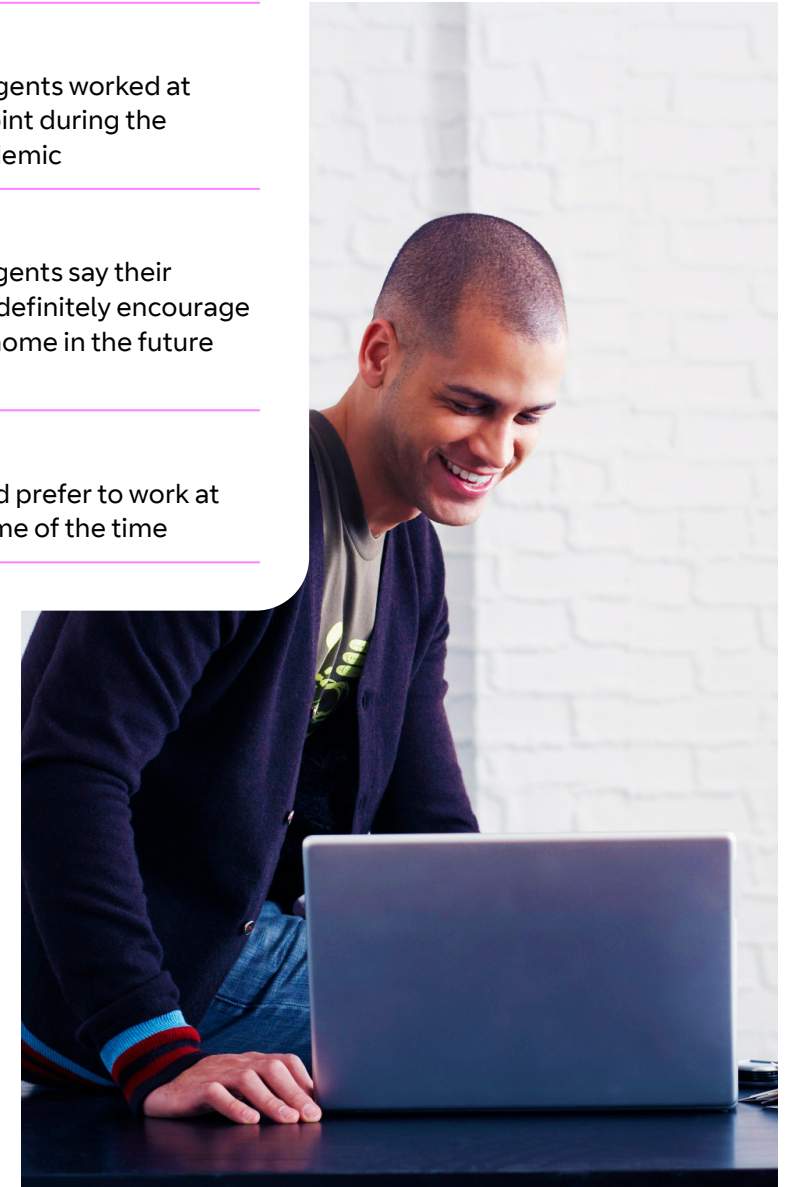
organisation. The bottom line suffers when slow or inadequate technologies extend call handling times or increase the rate of repeat calls. And complexity on the agent interface can directly affect productivity and the experience agents can give to customers. The message from agents is clear: please update our core technologies.

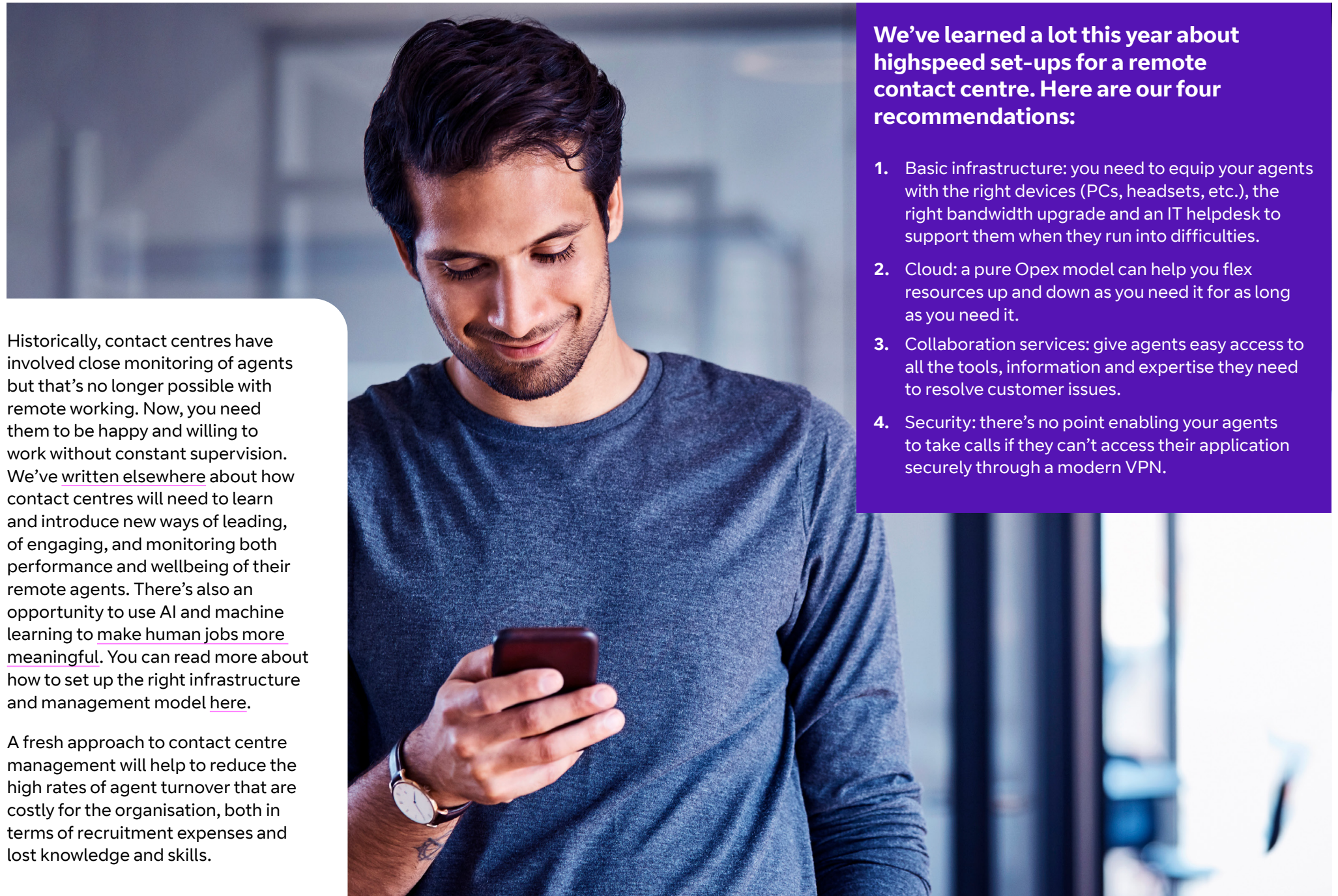
The other item on agents' wish list is to be properly set up for remote working. In an astonishing turnaround at the start of the pandemic, right around the world, tens of thousands of contact centre agents were enabled to work from home. As this is likely to continue, with nearly four in ten agents expecting to work at home in the future, at least in part, employers must fulfil their duty of care to agents working remotely. Of course, they need professional headsets, keyboard, screens, ergonomic furniture and secure access to highspeed connectivity. But there's more. Successful remote working will also require a change of management mindset.

88% of agents worked at home at some point during the coronavirus pandemic

38% of agents say their organisation will definitely encourage them to work at home in the future (33% 'probably')

71% would prefer to work at home at least some of the time





Historically, contact centres have involved close monitoring of agents but that's no longer possible with remote working. Now, you need them to be happy and willing to work without constant supervision. We've [written elsewhere](#) about how contact centres will need to learn and introduce new ways of leading, of engaging, and monitoring both performance and wellbeing of their remote agents. There's also an opportunity to use AI and machine learning to [make human jobs more meaningful](#). You can read more about how to set up the right infrastructure and management model [here](#).

A fresh approach to contact centre management will help to reduce the high rates of agent turnover that are costly for the organisation, both in terms of recruitment expenses and lost knowledge and skills.

We've learned a lot this year about highspeed set-ups for a remote contact centre. Here are our four recommendations:

1. **Basic infrastructure:** you need to equip your agents with the right devices (PCs, headsets, etc.), the right bandwidth upgrade and an IT helpdesk to support them when they run into difficulties.
2. **Cloud:** a pure Opex model can help you flex resources up and down as you need it for as long as you need it.
3. **Collaboration services:** give agents easy access to all the tools, information and expertise they need to resolve customer issues.
4. **Security:** there's no point enabling your agents to take calls if they can't access their application securely through a modern VPN.

What if you could empower your agents by giving them the right tools and technologies to excel in their job?

Questions to ask yourself:

1. How are our agents working now – can they work in the same way no matter where they are (at home or in the office)?
2. Do we give our agents continuous support during their calls and chats by identifying intent and providing real-time, step-by-step assistance?
3. Are our agents able to provide personalised support, immediate service, and quick issue resolution through the most cost-effective means?
4. Do agents have a view across the customer journey? Can they effortlessly and seamlessly deliver excellent customer service across all channels?
5. How could we benefit from helping virtual agents converse naturally with customers?

I would like a notification when...



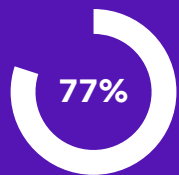
There are signs of fraud on my account



I have an upcoming appointment or delivery



There is a problem with my product / service



My policy / contract is due for renewal

5. Happy ever after: keeping customers in the loop with smart services

Remember, it's not always a problem that causes customers to make contact. Amending an order, renewing a subscription, updating personal details are positive, if 'utilitarian', everyday events. Self-service should be the most convenient option, whether through an app or online tools.

However, an awful lot of calls to the contact centre come because the customer has already tried to sort it out online. That's why the phone is still number one in the channel chart.

80% of agents say consumers call about issues they could resolve online

72% of consumers like it when organisations notice they've had difficulty online and pro-actively offer help

The next generation of contact centres will deliver smart, pre-emptive services that dovetail with individual lifestyles. How? By bringing together AI and the vast amount of data that every business now collects on its customers to understand and respond to personal circumstances and preferences.

We've probably all had a taste of something like this during 2020, as we've tracked packages through the supply chain or taken up Netflix's personal recommendations. Personalised, protective services will enable companies to clear the higher bar of customer expectation. They should also significantly reduce inbound traffic to the contact centre, freeing agents to focus on the unusual situations and trickiest issues.

Our previous research confirmed that consumers are positive towards AI technology. In 2019, eight in ten consumers said they expected organisations to use AI for proactive notifications about service issues. And in 2020 the majority say it would be useful to have messages about suspicious activity, rescheduling deliveries or appointments, and changes to products and services – although they will quickly be annoyed if organisations overdo such communications.

“Although customer appetite for proactive outbound communication has gone down slightly, this could be because the services have been designed badly or an erosion of trust. Fortunately, the data seems to point towards the former, rather than the latter.”

Dr Nicola Millard,
Principal Innovation Partner

80% of consumers say instant updates would be useful for transaction and fraud alerts

77% of consumers say reminders would be useful when a contract is coming to an end

The combination of rich customer data and AI technology can transform the work of the contact centre from reactive troubleshooting to delivering convenient, timely reminders and services that make people's lives a little bit easier.



What if you could bring together AI and customer data to understand and respond to personal circumstances and preferences?

Questions to ask yourself:

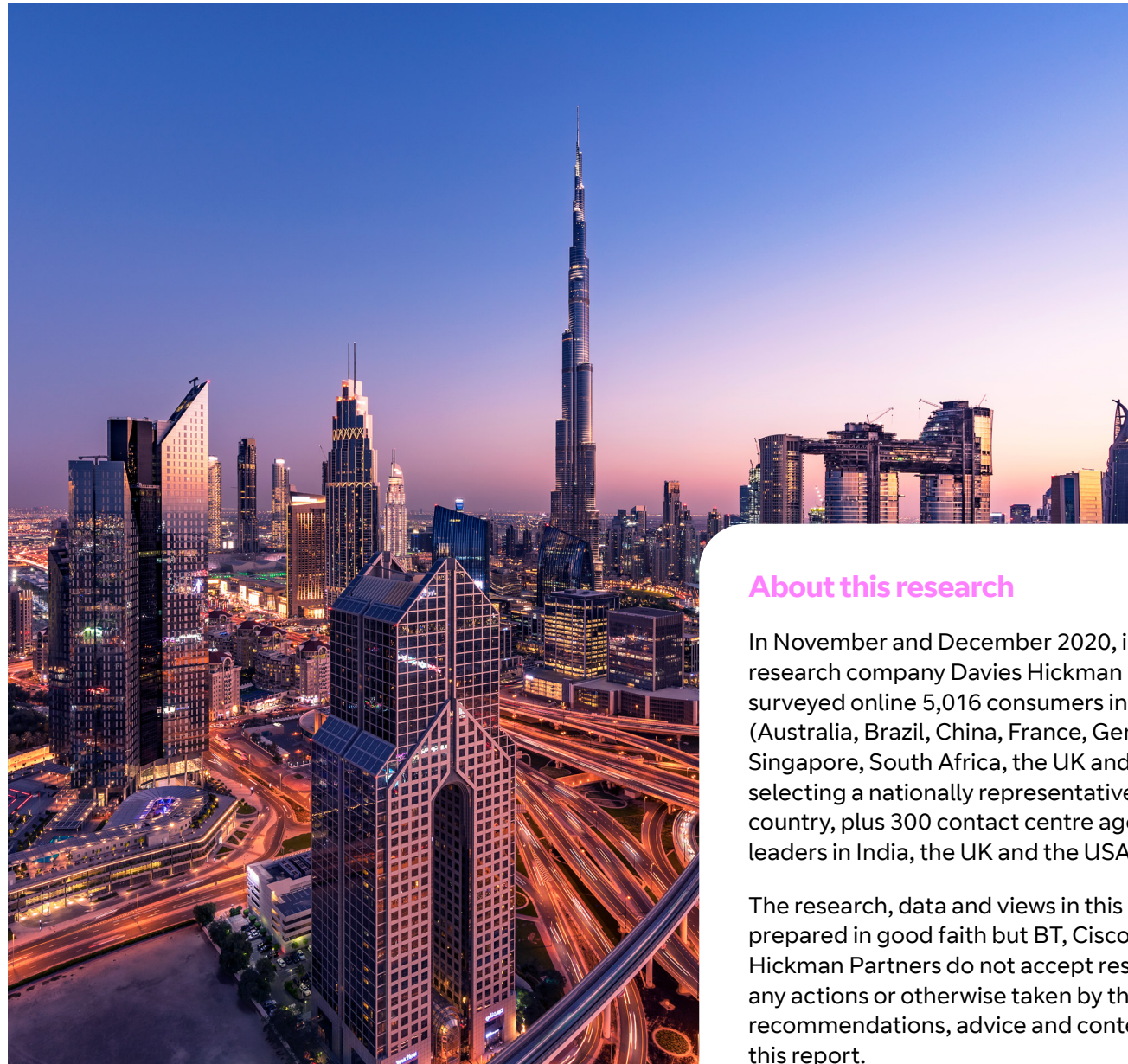
1. Along our customer journey how well do we understand our customers' pain points, motivators, preferences, and needs?
2. How can we use data to be more proactive in our customer contact strategy?
3. How are we using AI to proactively anticipate and address customer issues?
4. Is our outbound care strategy integrated with the communication channels that will be monitored by our customers the most, i.e., email, SMS and instant messenger?
5. How do we securely share knowledge and data about customer issues across the business so that we can identify / rectify common problems and improve the customer experience?

Last word. Connecting people.

More than ever in 2020, the contact centre has been the face and the voice of the brand. Along with the website, it's the most direct communication consumers have with your organisation.

In so many ways, the pandemic has highlighted a common need for empathy and human connection. With millions confined to their homes, we shouldn't be surprised that they like to ring up and talk to a real person when something needs fixing. And in a year where so many people came online for the first time, there was bound to be anxiety about this new way of doing things. Providing those customers with high quality human interaction helps build trust in the process and the brand. Agents certainly understand that.

Sticking with outdated technology makes it hard for agents and customers to engage and find the right outcome. The contact centre of the future will be cloud-based and AI-enabled, delivering smart services that let people go about their lives with ease. But a great contact centre experience is more than technology. Organisations that invest in a better experience for their agents will find they also create a better experience for customers.



About this research

In November and December 2020, independent research company Davies Hickman Partners surveyed online 5,016 consumers in ten countries (Australia, Brazil, China, France, Germany, India, Singapore, South Africa, the UK and the USA), selecting a nationally representative sample in each country, plus 300 contact centre agents and team leaders in India, the UK and the USA.

The research, data and views in this report have been prepared in good faith but BT, Cisco and Davies Hickman Partners do not accept responsibility for any actions or otherwise taken by those acting on the recommendations, advice and content contained in this report.



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