



## CIO PULSE REPORT

# A CX perspective on the Contact Centre

Automation, AI and the  
transition to a new era



# Management summary

## Why this discussion ... and why now?

Customer experience is far too important to be left only to the digital marketing specialists. Yes, getting customer experience (CX) right for your online presence is essential, but it is only one part of a far bigger picture.

Indeed, CX spans your entire organisation. Research and development? There's not much point designing products that customers will dislike using and have a bad time with. Aftercare? If users can't get good support and advice, or if they are frustrated because the product can't readily be repaired, reused or recycled, then again, that is bad CX.

And the visibility of CX is today greater than ever, thanks to a society that is interconnected via social media, online review websites and so on. Engaging with customers has therefore become a complex, technology-empowered task – one which is a crucial part of modern CX, and which increasingly demands the involvement of IT leaders.

So we asked 50 CIOs how can businesses build better CX, and where should their customer-facing efforts be focused? How do today's customers want or expect to make contact with companies, and perhaps more importantly, what do they not want?

## Key research findings

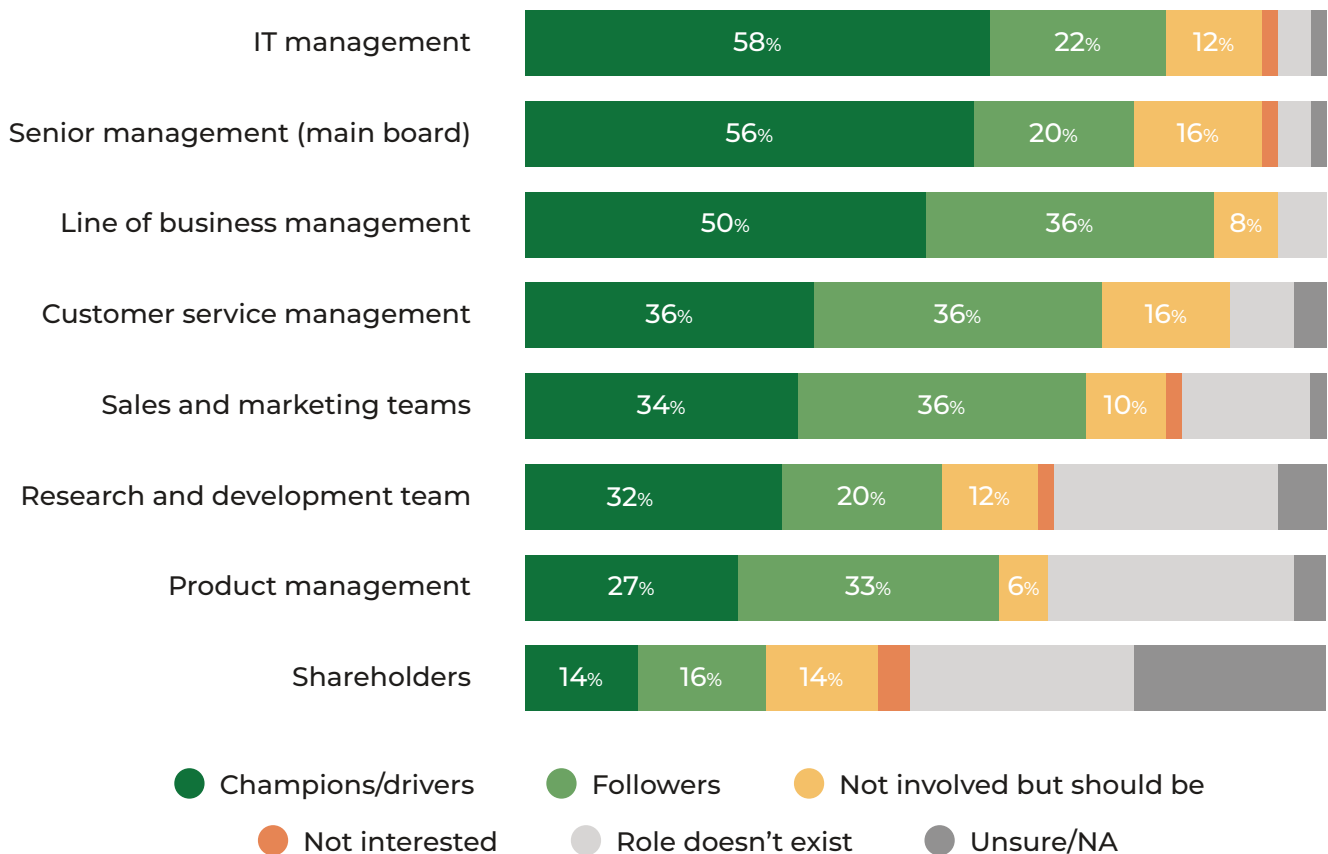
- From call logging and email through websites and mobile apps to social media and AI, technology is a key enabler of an organisation's CX.
- Driving better CX means removing process disjoints and inconsistencies, and enabling customer-facing staff to respond faster and more effectively.
- Traditional contact centre technologies such as phone, email, text and chat remain very popular, and offer significant opportunities for enhancement.
- Significant opportunities exist to use AI-type technologies to assist and guide both customers and agents, and to achieve faster issue resolution.
- However, there is considerable caution about AI directly interacting with customers, so its usage may need to be behind the scenes and not obvious.

# Who is driving the CX agenda?

## CX is everywhere – or it should be

Customer experience spans the entire organisation, from product inception and creation to aftercare and disposal, and our CIOs' picture of who champions or drives CX reflects that to a considerable extent. For example, much of CX is technology-powered so IT management is significantly involved, while for many senior and line-of-business managers, customer satisfaction is a key performance and profitability indicator, so they too are often drivers.

### To what degree have each of the following been involved in driving the organisation's CX agenda?



## More attention needed?

However, it is concerning that significant minorities are “Not involved but should be” – it suggests that work may be needed to raise awareness of CX’s centrality. Most of these groups should at least be following the topic, and contributing towards better CX where they can.

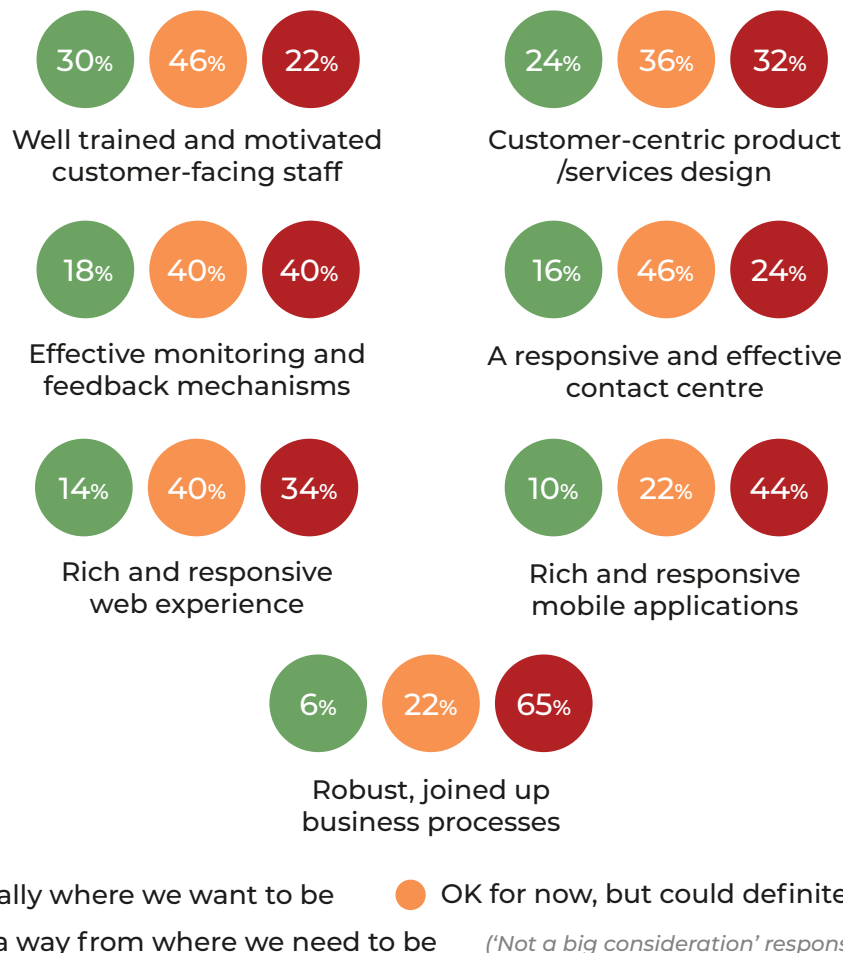
For instance, aspects of CX may need to be built in at the development stage, while the visibility of CX is greater than before, thanks to social media, etc. That means it can affect the organisation’s reputation and the cost of acquiring, servicing and retaining customers, which concerns the management teams and can impact shareholder value.

# The role of the contact centre in CX

## Tying it all together is the challenge

When we drill into the CX enablers, it is clear that the main concerns do not relate to the customer-facing staff. That might at first appear good because there is considerable customer preference for human interaction for anything beyond simple enquiries. However, effective CX requires those staff to be empowered and supported, in particular by joined-up processes and effective technology, and it is here that CIOs are most likely to perceive a need for considerable improvement.

**Addressing the areas generally accepted as CX enablers, as an IT leader, how close would you say your organisation is to its ideal state in relation to the following?**



## It comes together in the contact centre

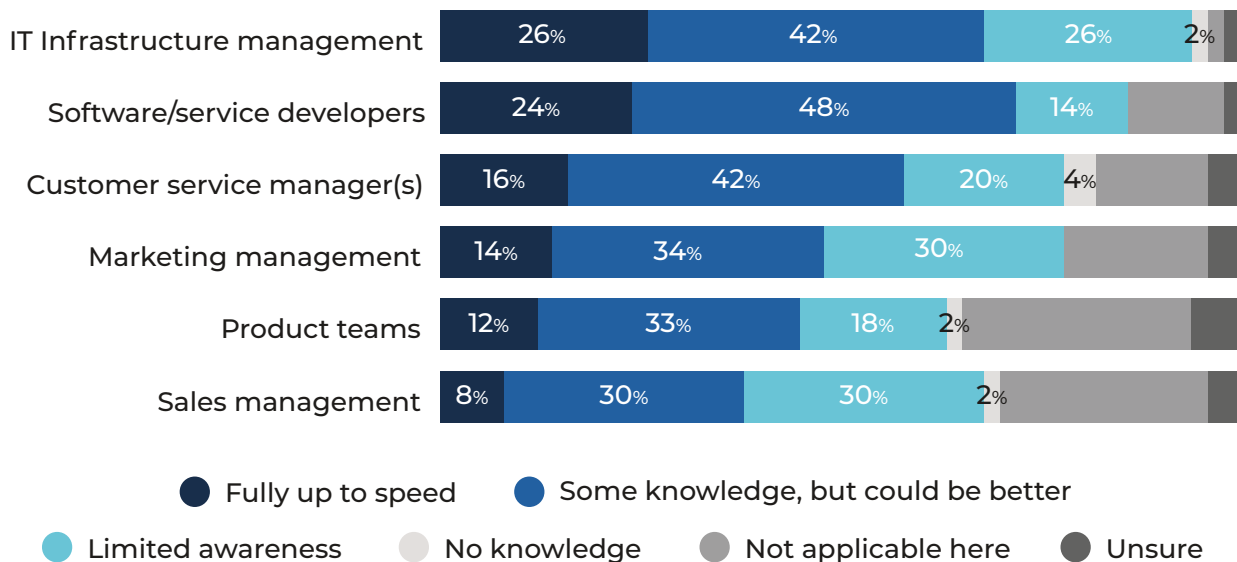
Everything that plays a part in customer experience comes together in the modern contact centre. Whether it's customer-facing staff, chatbots, mobile apps, social media or even product and service design, it can all affect customer satisfaction. Elements such as the organisation's online presence may need specialist skills and capabilities, but those websites and apps must still operate seamlessly within the overall contact centre ecosystem. Otherwise disjoints and frustration can arise, as we will see later in this report.

# Keeping up with evolving technology

## Getting ready for better CX

There could be a lot of work to do to get your organisation ready for better CX. Both ideas and technology are moving fast in this area, but how up-to-date are your various stakeholders likely to be with these advances, and with the state of the art as regards contact centres and CX in general?

**Given the pace of technology advancement in the contact centre and customer interaction space, how well have the following kept up with the latest ideas and developments in your organisation?**



It seems that many of our IT leader respondents believe that they and their developers are at least partially up to date, although still with plenty of room for improvement. However, other key stakeholders often have limited awareness of the state-of-the-art and the possibilities when it comes to customer interaction. Indeed, it may well be that many of these other parts of the organisation see CX technology simply as an issue for IT management to sort out.

The relatively low rankings of sales and marketing management here are particularly worrisome. Sales and marketing are where the customer journey really begins, so they are where CX expectations can and should be set. Similarly, a customer's primary experience of an organisation is through its products, so it would be advisable for all of these teams to be better informed in this area.

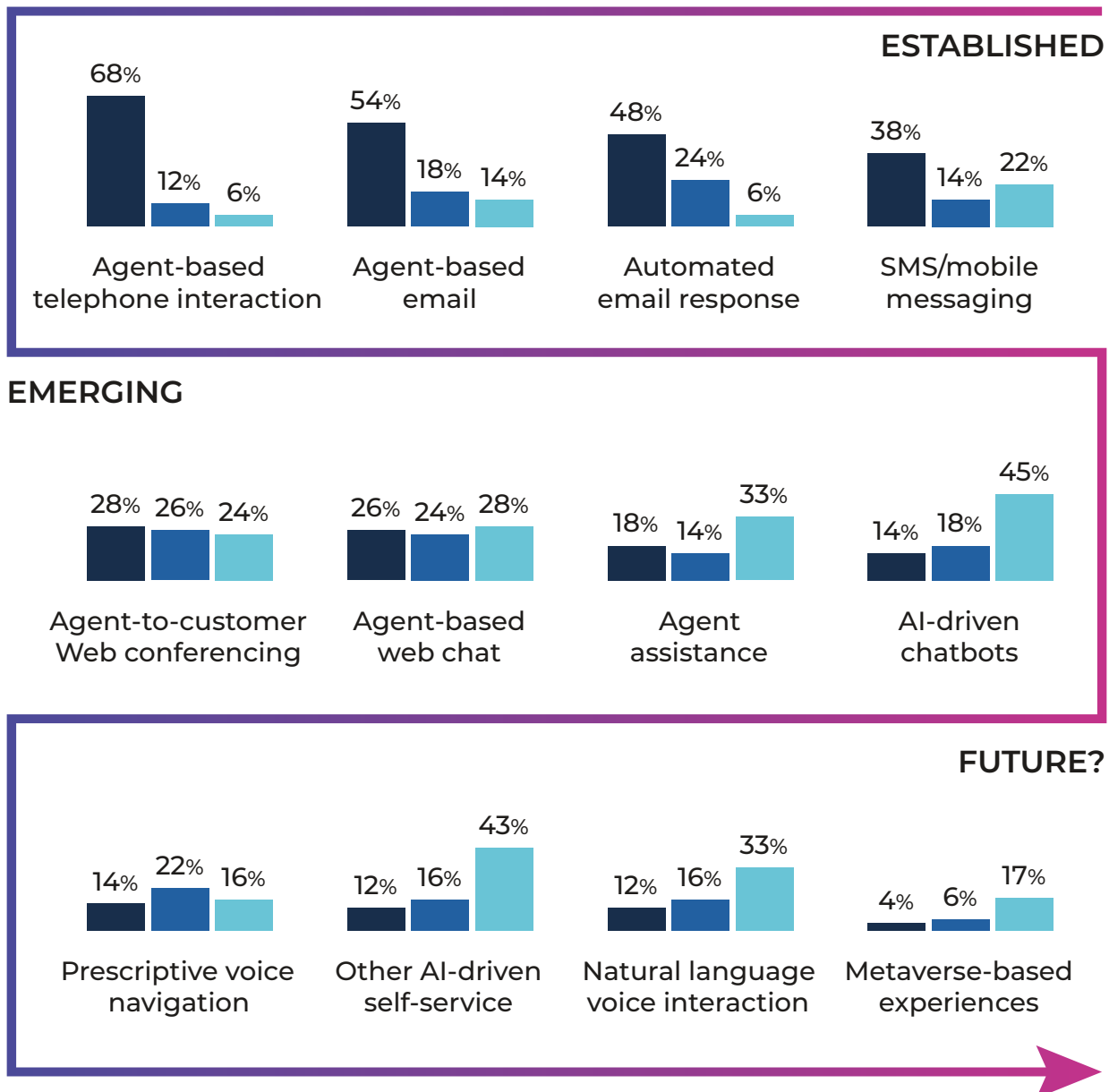
# What makes the contact centre tick?

## What's important in CX today

Live voice remains top for customer interaction, whether by phone or web conferencing, but several of the areas where we see the greatest future interest (“becoming important” and “on the radar”) involve messaging and chat. This is mainly text-based at present, but there is some interest in growing the use of voice-driven navigation and interaction.

Note though that other factors will also affect preferences or choices when it comes to modes of communication. For example, the customer’s age or generation may be relevant, and of course, the complexity of the issue can have a major impact.

### How would you sum up the importance of the following in CX?



Numbers don't add up to 100% because we've focused on the positive responses

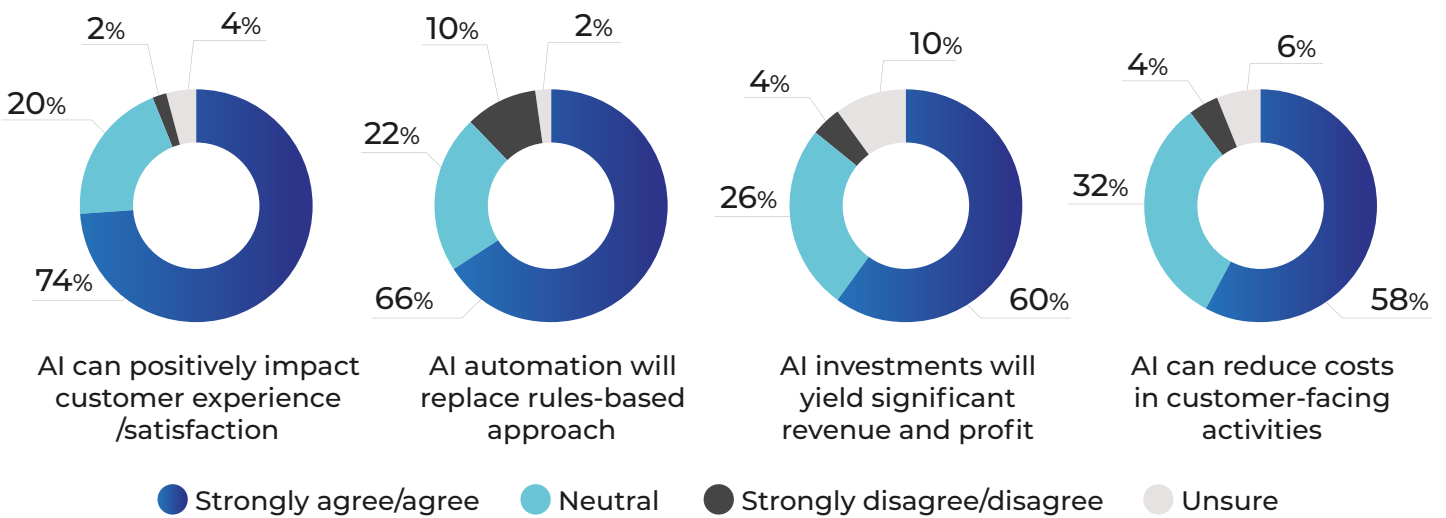
■ Important already   ■ Becoming important   ■ On the radar

# AI is the future, but...

## The potential of AI is broadly appreciated

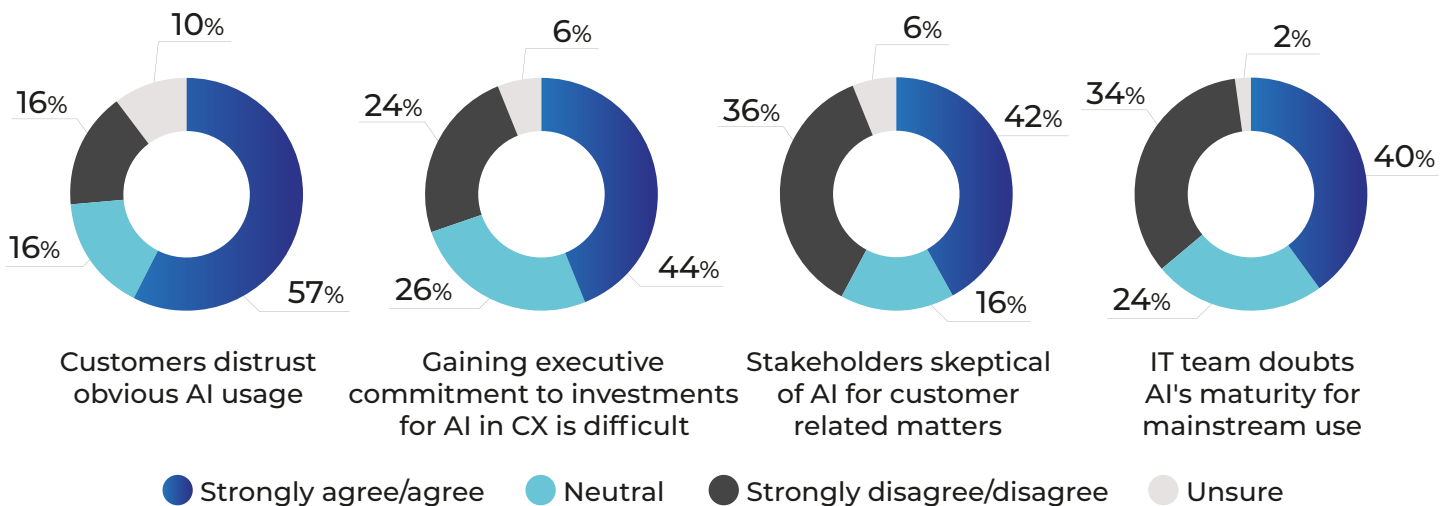
There is a lot of optimism around AI in CX, especially when used well, for example replacing scripts and the like, routing enquiries accurately, and supporting agents in their decisions. For instance, an AI assistant could consider more than an unsupported human, such as the cost of servicing vs the potential cost of loss, before suggesting the optimal next course of action.

### How much do you agree with the following?



## But caution is required to avoid objections

There were several voices of caution and even suspicion, however, particularly when it comes to AI interacting directly with customers. For now, the clear implication is that the use of AI should be discreet – and preferably indirect too. Examples are the ‘behind the scenes’ agent assistance and augmentation roles mentioned above.

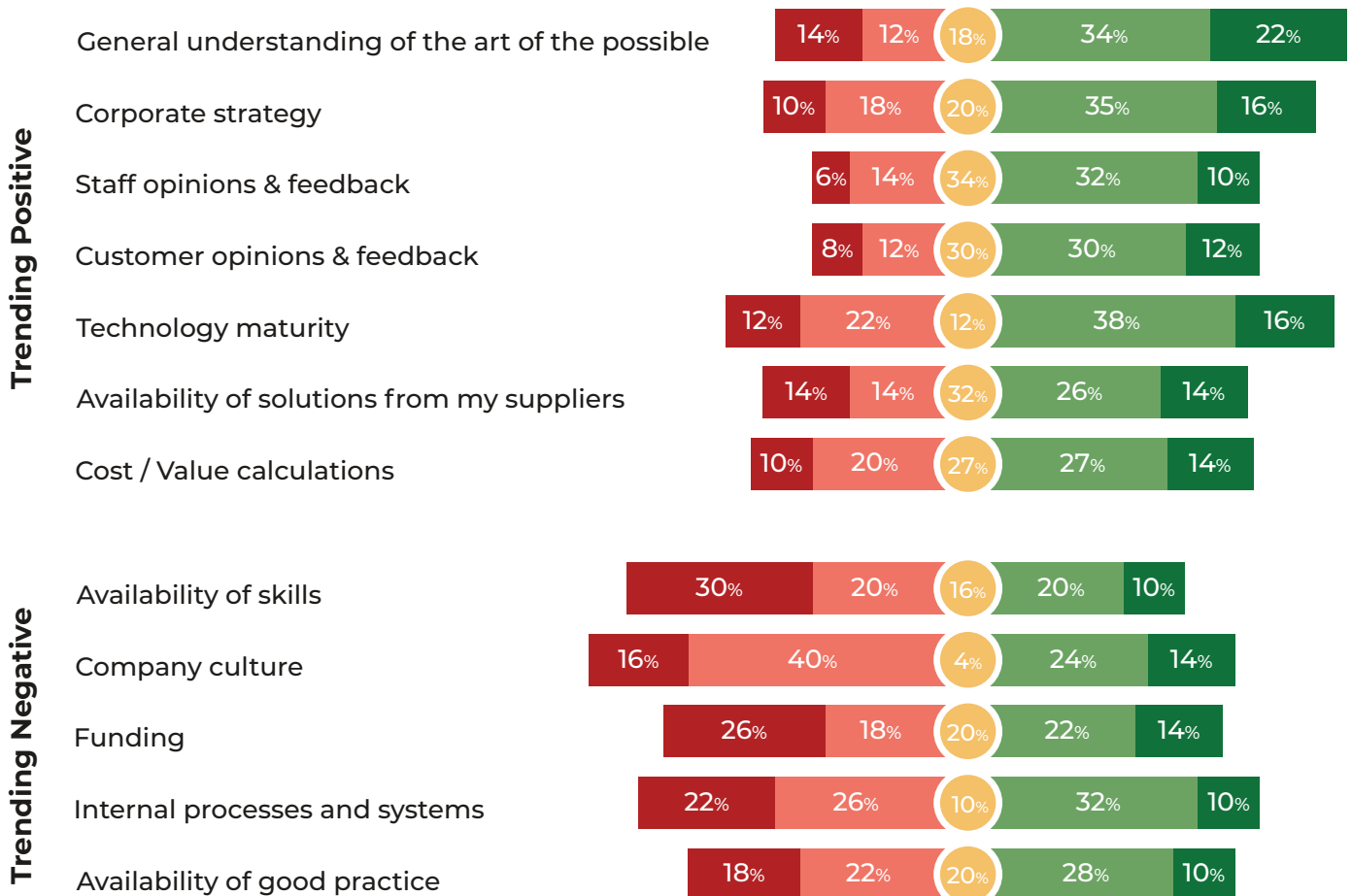


# AI's boosters and blockers

## Understanding the objections

Exposing real value in AI and all the related automation technologies means understanding and dealing with both potential objections and the excitement or hype that AI arouses. The latter is important because these can otherwise lead to projects failing because they were too ambitious, or worse, projects which succeed but are seen as failures because they did not meet some unrealistic set of over-inflated expectations.

### How much are the following inhibiting or encouraging the adoption of new "AI" and automation tools in CX?



When we drilled into the inhibitors and drivers identified by our CIOs, we saw their answers group into two sets: one was primarily positive while the other tended negative. The positives centred on opinion and strategy, hence the need for careful expectation management. The negatives were more to do with practical issues, such as the availability of skills, funding and good practice, and the potential for a mismatch with company processes and culture.



# What really matters in CX?

## How to meet customer expectations

It is important to know what matters to customers, especially if you want to understand how different systems, processes or technologies could drive better CX. While our study showed that CX is significantly sensitive to all of the issues listed below, we also saw common themes emerge, including several areas where IT leaders in particular could drive improvements.

### How much is CX in your industry sensitive to the following (regardless of how well your organisation has them covered)?

(Ranked in order of sensitivity)

-  1 Slow response to customer inquiries, questions and issues
-  2 Customer-facing staff not adequately trained or informed
-  3 Lack of trust, e.g. with regard to commitments, data privacy, etc
-  4 Expectation management, e.g. reality falling short on promises
-  5 Customers being asked the same things over and over
-  6 Lack of perceived empathy and customer centricity
-  7 Poorly designed digital experiences, e.g. via the web and mobile
-  8 Disjoints/inconsistencies across sales/service channels
-  9 Bots that are not as useful as their initial greeting suggests
-  10 Self-service interactions too often require human intervention

One was the need for customer-facing staff to deal with inquiries speedily and effectively, and with a clear customer focus – there is an opportunity here for AI assistance, employed in tandem with smart processes and systems to help with expectation and trust management.

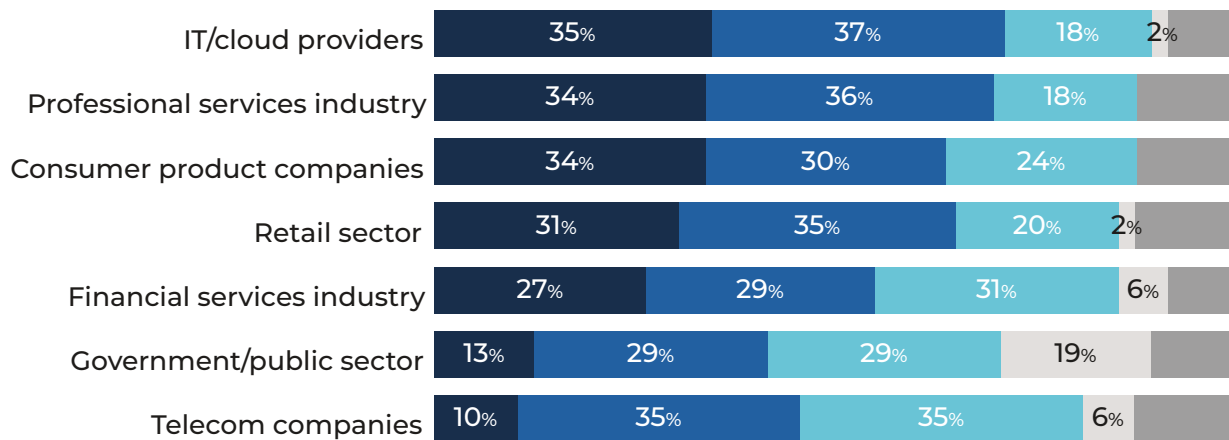
Another is the many disjoints and inconsistencies that can arise. A platform that provides a joined-up view of the customer and which tracks their CX journey, all while maintaining data privacy of course, may well be essential here.

# Where to look for better CX

## Who can you learn from?

Certain companies and sectors are often seen as exemplars of good – or bad – CX. The question is whether we could, or should, look to any of them for ideas on how to improve our own CX performance and capabilities, and if so, which ones?

**As you look to improve your CX in your organisation, do you ever look to any of the following for insights and best practices?**



- Yes, generally a good source of ideas
- Occasionally, if they do something relevant
- Generally not useful or relevant
- Only if looking for examples of bad practice
- Unsure

Our respondents' thinking is reasonably clear. The ones to watch are those that sell individual products or professional services, and/or have a low switching cost. This makes sense when you consider that these organisations must constantly work to acquire and retain customers, and to maintain a positive public-facing reputation.

Conversely, our respondents are less likely to look to sectors where the customer base has little or no real choice of supplier, or where the sale is of an ongoing consumer subscription or service which requires a degree of effort (mental, as well as physical) to switch. Of course, these organisations also have reputations to maintain, but their focus is more likely to be avoiding criticism and negative publicity, plus perhaps reassuring shareholders and other stakeholders.

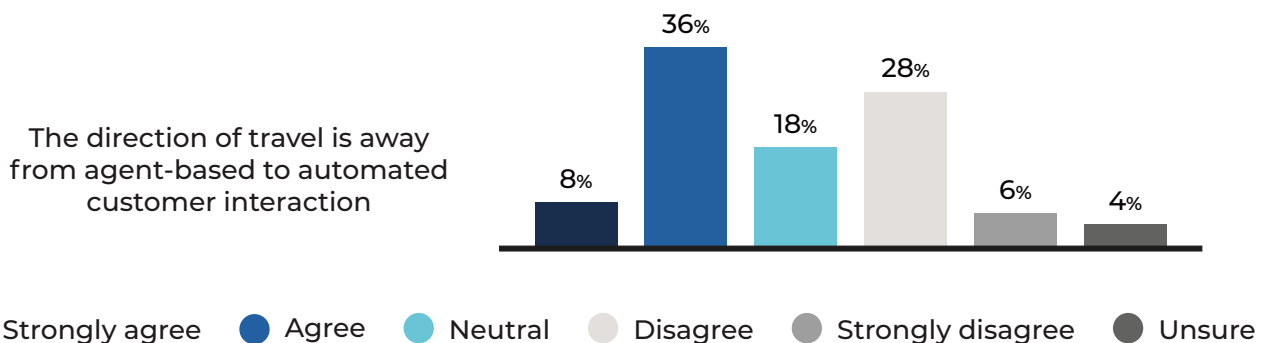
# Final thoughts

## CX is everywhere, and it's increasingly digital

Customer experience can impact, and be impacted by, pretty much everything that an organisation does. And while automated self-service applications and chatbots are able to handle a growing proportion of customer enquiries and demands, customer service staff remain essential in most organisations, especially for more complex interactions.

We saw this clearly when we asked our respondents about the likelihood of moving from agent-based to automated customer interaction. The response was divided, with only small numbers strongly agreeing or disagreeing. Once again, we see that the opportunity for AI-type tools, at least in the short term, may be more to support humans than replace them.

### How much would you agree or disagree with the following statement?



The demand for modern digital CX tools, such as AI assistants for agents, is just one of the reasons why IT leaders are being called to support or drive the CX conversation. The need for better-designed digital experiences across the web and mobile is another, and a third is the opportunity to use technology to bring greater consistency and coherency across the various CX communication modes and channels in use.

All this is important because, in our increasingly hybrid world, CX has changed. Customers want to use the communication channels that suit them and the task at hand, they expect a joined-up experience across all those channels, and they have little tolerance for friction and delay.

The opportunity for IT and CX leaders alike is clear: properly designed, a modern multi-channel contact centre, consistent, digitally-enabled and AI-empowered, can become the hub of all your CX activity. This coherent approach to CX can boost customer and staff satisfaction, improve customer attraction and retention, and thereby help drive profit and growth.

# About

## About this report

Freeform Dynamics surveyed the opinions of 50 senior IT leaders and managers via The CIO WaterCooler. The survey was executed online during Spring 2023. Note that percentages presented in the charts may not total 100 due either to rounding or to certain responses being omitted for clarity.

## About Freeform Dynamics

Freeform Dynamics is an IT industry analyst firm. Through our research and insights, we help busy IT and business professionals get up to speed on the latest technology developments and make better-informed investment decisions.

For more information, visit [www.freeformdynamics.com](http://www.freeformdynamics.com).

## About The CIO WaterCooler

The CIO WaterCooler is a free, open and supportive community that provides resources to help IT leaders develop and identify solutions, gain knowledge from their peers and build networks to support them in becoming leaders in both their industry and business.

For more information, visit [www.ciowatercooler.co.uk](http://www.ciowatercooler.co.uk).

## About 8x8

8x8 is transforming the future of business communications. By integrating voice, video, chat, contact center, and enterprise-class API solutions into one global, secure, reliable cloud communications platform, people are more connected and productive no matter where they are in the world.

For more information, visit [8x8.com](http://8x8.com).

## Terms of Use

This document is Copyright 2023 Freeform Dynamics Ltd. It may be freely duplicated and distributed in its entirety on an individual one to one basis, either electronically or in hard copy form. It may not, however, be disassembled or modified in any way as part of the duplication process. Hosting of the entire report for download and/or mass distribution by any means is prohibited unless express permission is obtained from Freeform Dynamics, CIO WaterCooler or 8x8. The contents contained herein are provided for your general information and use only, and neither Freeform Dynamics nor any third party provide any warranty or guarantee as to its suitability for any particular purpose.