



Smart Customer  
Experience (CX)  
Strategies for Increasing  
Contact Center Profits

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# How to use CX as a critical strategy for achieving greater profitability and better ROI

## Introduction

In Deloitte's 2017 Global Contact Center Survey report, researchers asked more than 450 contact centers worldwide to forecast how their businesses will change in the coming years. A significant finding from the report is that only 3% of companies say they consider revenue growth to be the primary driver for their contact centers. However, close to 90% of responding companies name improving customer experience as a strategic focus. In the two years since the report was published, this finding still reflects what we consistently hear from our current and prospective contact center customers.



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While Deloitte's 2015 report found 85% of organizations surveyed viewed customer experience as a competitive differentiator, its more recent 2017 findings indicate contact centers increasingly see an even clearer correlation between customer experience and profitability.

This e-book will discuss why customer experience is now an essential business strategy no contact center can ignore. It will also break down what contact center leaders can do to optimize the benefits of focusing on customer experience.



Source: Deloitte 2017 Global Contact Center Survey



# Contact Center Growth Drivers

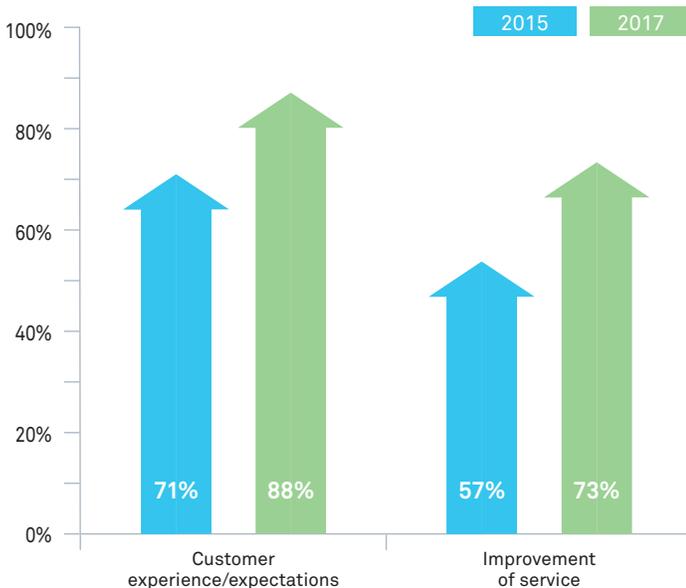
In the Deloitte report, contact centers cite only two Key Performance Indicators (KPI) as more important growth priorities today than they were in the past:



The research also shows that customer experience-centric approaches are an increasingly critical component of strategic contact center management and long-term profitability planning.

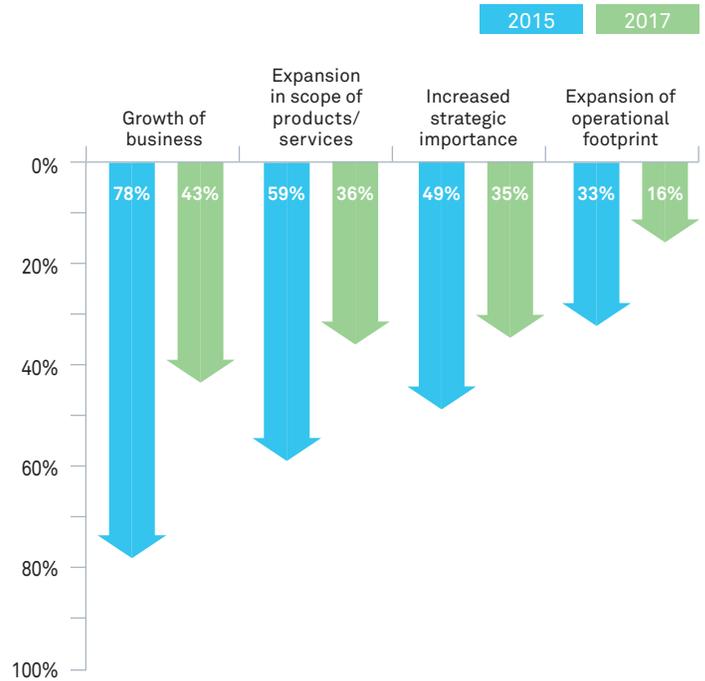
- 88% of contact center managers now say customer experience is a critical growth catalyst, a 17% increase over the survey's findings four years ago.
- 73% also consider service improvement to be a significant growth factor.

## What are the main drivers of growth within your contact center(s)?



Conversely, traditional approaches to contact center expansion and growth have clearly declined since 2015.

## What are the main drivers of growth within your contact center(s)?



The growing focus on customer experience doesn't eliminate the importance of profitability. Instead, improving customer experience is now the differentiation contact centers need to drive greater profitability over time.



**You'll never have a product or price advantage again. They can be easily duplicated, but a strong customer service culture can't be copied.**

— Jerry Fritz

# Contact Centers and the Rise of Omnichannel



There has been a power shift in the customer experience landscape. For decades, brands controlled how they interacted with customers throughout the customer journey, and consumers had little choice in how they could select and purchase products and services. Brands also controlled how they delivered customer service post-purchase.

Today, however, consumers are driving how they select and purchase, as well as how they receive customer service—usually across multiple channels. In fact, today's consumers are constantly raising the customer experience bar.

They're demanding how and when they interact with brands—expecting seamless, connected experiences across all channels.

Amid this more customer-centric, omnichannel marketing paradigm, contact centers must adapt to and meet or exceed changing consumer demands in order to thrive. Voice, email, chat, SMS, Facebook Messenger—and a host of other emerging channels—put pressure on contact centers to keep customers satisfied. When managed strategically, though, the challenges that come with omnichannel experiences can lead to higher profits and long-term customer loyalty.

# Customer Experience as the New Profitability Engine

The Amazon Effect. Mobile devices. Same-day delivery. IoT. AI. Social media. Personalized content.

As consumers continue to raise the bar on service, they have the option to go somewhere else if you're not quickly satisfying their demands. And they often do. So, from a profitability standpoint, customer experience has moved to center stage, and contact center managers must optimize it to achieve their profitability goals. This requires understanding how customer experience impacts three distinct KPIs that can each bolster the bottom line. These are:

- **Cost per Agent**
- **Cost per Interaction**
- **Cost per Customer**



## Cost per Agent

Nowhere can customer experience impact profits more than through agent performance. Bad agents cause great companies to lose good customers every day, so ensuring the agent's ability to deliver an end-to-end superior experience is essential for increasing both short- and long-term profitability.

Here are three tips to help lower cost per agent while empowering agents to raise the bar on the service they provide to customers and, consequently, drive profits.

### 1. Create a Clear Map of the Customer Journey

Effective journey mapping is the linchpin contact centers need to help agents succeed from the very beginning. Without a clear understanding of the customer journey, it's impossible for agents to know how to optimize the experience your customers receive on a call-by-call basis.

Journey mapping should provide the agent with a clear outline of the background and context of what each call can or actually does involve. What are the potential channels? What are the entry points? Where have customers been and where do they need to go? A clear map of the customer journey is a powerful tool for minimizing agent mistakes and maximizing opportunities for superior agent performance.

### 2. Replace Customer Service with a Culture Focused on Customer Experience

With the adoption of artificial intelligence (AI), the traditional model of live-agent customer service is increasingly insufficient for satisfying customer demand. Many agents, however, are reluctant to accept the emergence of AI as the new norm because they perceive it as a threat to their jobs.

By emphasizing a customer-first culture throughout the organization, contact center leaders can help agents make the transition to a new model that delivers better customer experiences and ensures a greater opportunity for contact center profitability.

### 3. Empower the Agent's Ability to Resolve Issues on the First Call

Instead of focusing on cost per call, many contact centers are moving to a cost per resolution model. The more contact centers can fully resolve an issue in a single call, the less time and costs are required to satisfy the customer overall.

To optimize an agent's ability to resolve an issue in a single call or interaction, contact centers must equip front-line agents with the knowledge and capabilities they need to satisfy most issues they encounter themselves. This requires giving agents access to integrated software that paints a clear picture of the caller's omnichannel history before the initial live contact is made, along with the ability to route the call to the most appropriate agent for resolution.



## Cost per Interaction

Reducing cost per interaction requires more than technology or even what the most outstanding agents can do alone. It also takes call monitoring and coaching to assess and help improve ongoing agent performance. By utilizing the customer experience as the core KPI, contact center managers are in the best possible position to make informed decisions that can lower cost per interaction. For example, according to Harris Interactive, 77% of customers think it takes too long to reach a live agent.

If your contact center's wait time takes more than a few minutes, creating a better experience then becomes an opportunity for increasing both profitability and brand loyalty. The specific tactics for lowering wait time (such as agent training, outsourcing, skills-based routing software, etc.) will vary according to the specific situation and priorities of your business. The best strategy, however, is a core focus on improving the customer experience.



## Cost per Customer

According to Accenture, 52% of consumers switched brands in 2017 due to poor customer service. Analysis by Salesforce.com estimates that can end up costing an estimated \$1.6 trillion.<sup>1</sup>

Skyrocketing losses due to bad customer service are putting extreme pressure on contact centers to provide solutions. But virtually every contact center is already saddled with limited resources and the need to adapt to a rapidly changing market paradigm. Contact center managers simply can't afford to take a macro approach to solving all customer care issues. Instead, contact centers must look to their own resources and abilities to create an optimal but viable experience for their customers.

This makes cost per customer a critical metric to evaluate and maintain. As consumer demands continue to drive change, the cost of servicing customers can erode margins in the short-term as contact center solution providers make new investments. But by focusing on a customer-first model, contact centers are in a better position to make investments that lower cost per customer while adapting to the channels consumers want most.

Organizations are pausing to take stock of the channels they use to interact with customers. Driven largely by demographic-based consumer preferences and an eye toward cost efficiencies, research by Dimension Data points to data showing an acceleration over the next year toward more digital channels, with a significant focus on virtual assistants and proactive automation. To deliver these channels cost-effectively, while optimizing customer experience, organizations are increasingly migrating to cloud contact center solutions.

## Conclusion

A smart approach to optimizing the customer experience is a critical strategy for achieving happy, loyal customers. Ultimately, it's also a sure path to increasing your contact center's long-term growth and profitability. It takes thoughtful tactics that empower agents to deliver better service while driving down operational costs.

## About Serenova

Serenova simplifies every aspect of the customer experience to make life easier for contact center executives, their customers and employees. The world's most passionate, customer-focused brands achieve better interactions, deeper insights and more meaningful outcomes with Serenova's contact center solutions. To see the power of Serenova for yourself, [sign up for a demo](#).

<sup>1</sup> "Poor Service Will Cost Companies \$1.6 Trillion. How to Avoid Being a Service Statistic," Salesforce blog





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