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CONNECT EMPLOYEE ENGAGEMENT & CUSTOMER SATISFACTION: UNIFIED COMMUNICATIONS IN THE CONTACT CENTER

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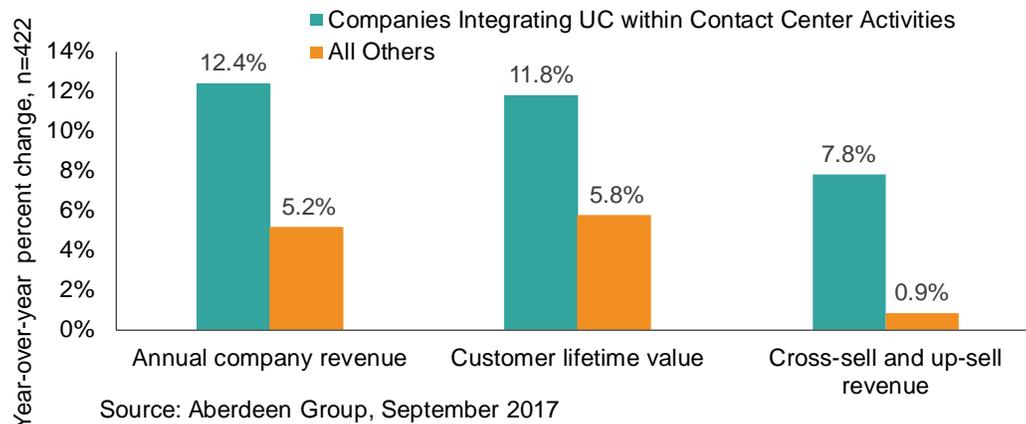
Businesses using unified communications (UC) enjoy 2.4 times greater annual growth in company revenue. This report highlights ‘why’ and ‘how’ unified communications generate such improvements across financial, customer experience and contact center measures.

The ROI of UC Across the Whole Business

Delivering shareholder value by improving company revenue is a top objective for almost all businesses. Achieving this goal requires firms to truly empower all employees with the right information they need, at the right time, to do their job. It also requires building and nurturing an environment of collaboration within and across various business departments. In turn, this helps employees learn and share vital knowledge. It also helps deliver seamless customer experiences across all channels and business departments. Figure 1 shows that companies incorporating UC (see sidebar) within their activities do indeed achieve far superior financial results, compared to those that don't.

Specifically, they grow their overall company revenue by 2.4 times more year-over-year than All Others (12.4% vs. 5.2%). While increased spend by existing clients is one of the reasons for this increase, success in cross-sell and up-sell revenue growth, and net-new client growth through referrals, are also other key influencers contributing to these results.

Figure 1: UC in the Contact Center Improves Financial Results



Customer lifetime value reflects the total spend attributed to the customer throughout the entirety of the relationship they have with the company. Hence, success in improving this metric requires firms to not only retain their clients, but also increase spend over time. Figure 1 shows that UC-enabled firms

Definition: Unified Communications

For the purposes of this research, Aberdeen defines “unified communications” as a set of technologies that allow employees throughout the business to interact with one another through various modes of communications.

These include phone, video, chat, email, presence, mobility, desktop sharing and directory services. UC also enables employees to use a single number to interact through all these channels, making it easier for employees to communicate and collaborate.

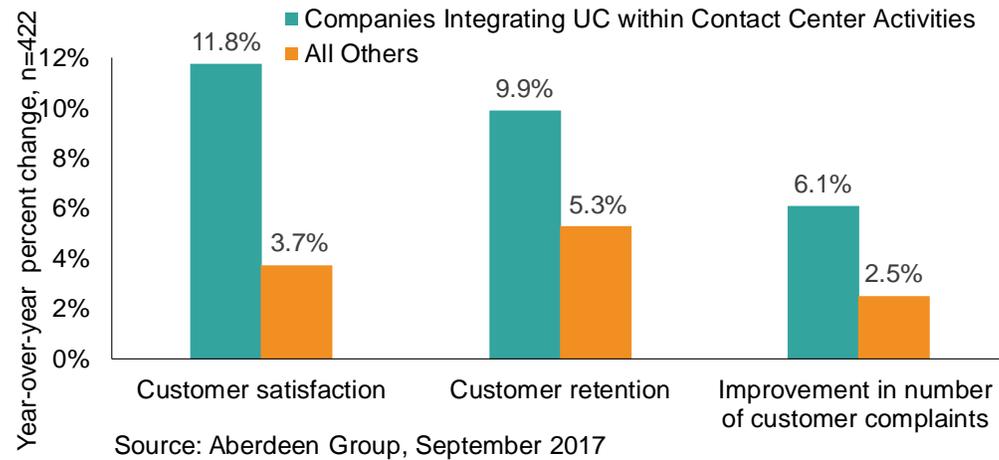
Technology is only the delivery mechanism for UC; the goal for most UC platforms is to help employees such as contact center agents more easily communicate and collaborate to do their jobs.

achieve 2.0 times greater annual growth in customer lifetime value, compared to those without it (11.8% vs. 5.8%). This validates that **better communication and collaboration helps UC-users maximize shareholder value through increased customer spend.**

One of the ways of increasing customer spend is through cross-sell / up-sell activities. Improving this metric requires firms to develop a clear understanding of buyer needs and optimize internal communication and collaboration processes to pursue cross-sell / up-sell opportunities, such as a contact center agent informing a sales representative that an existing account might be likely to buy a warranty contract. Figure 1 shows that UC-enabled firms indeed achieve 8.7 times greater annual growth in cross-sell / up-sell revenue, compared to All Others (7.8% vs. 0.9%).

While we noted the connection between customer lifetime value improvements and customer satisfaction, Figure 2 sheds more light on that. It shows that companies with UC in their technology toolbox enjoy 3.2 times greater annual improvement in customer satisfaction rates, compared to All Others (11.8% vs. 3.7%).

Figure 2: Firms Using UC Improve Customer Satisfaction & Loyalty

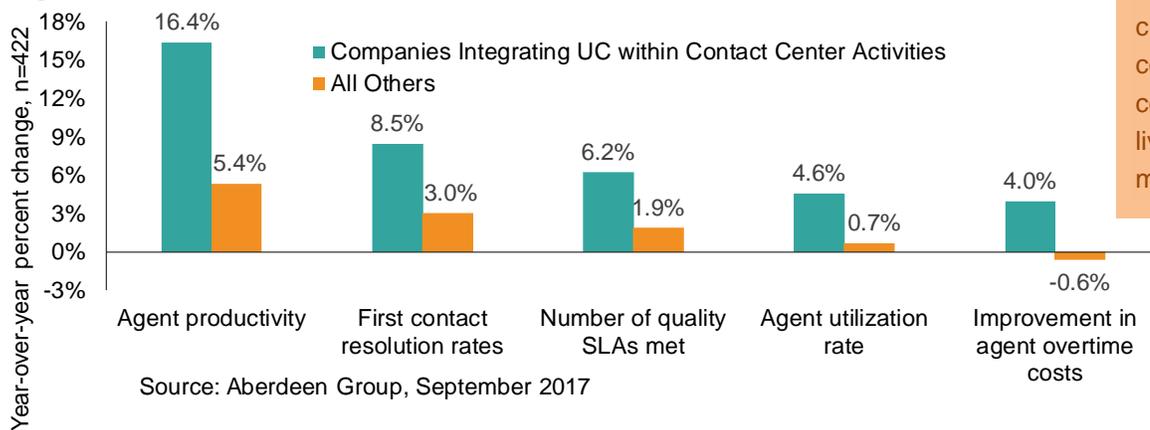


Happy customers are far more likely to retain their business. Figure 2 shows that by building an environment that allows employees to meet and exceed customer needs, UC-enabled firms also improve their customer retention rates. Specifically, they enjoy 87% greater improvement in customer retention rates, compared to All Others (9.9% vs. 5.3%). Improvement in customer satisfaction rates is also closely linked with the ability to improve (*reduce*) the number of customer complaints. Companies with UC in their technology toolbox achieve 2.4 times greater improvement in this metric against All Others (6.1% vs. 2.5%).

Thus far, we've seen how UC influences overall company performance. Let's now look at how it helps transform operational results, specifically in the contact center. The modern contact center is both a customer engagement and communications hub. Findings from Aberdeen's October 2017 *Omni-Channel Customer Care: How to Deliver Context-Driven Experience* study show that 51% of companies use at least eight different channels (e.g., phone, IVR, email live chat, etc.) to interact with customers. To survive and thrive in this complex landscape, companies must empower their contact center agents with the most relevant knowledge and technology tools. Yet, the September 2017 *Agent Experience Management: Customer Experience Begins with Your Agents* study revealed that agents cite lack of empowerment with the right knowledge and technology among the top three reasons why they struggle doing their job — namely, to serve customers.

This is where integrating UC within contact center activities becomes critical. As illustrated in Figure 3, companies with such integration enjoy far superior year-over-year performance improvements across traditional contact center metrics used to gauge operational efficiency.

Figure 3: UC Helps Dial Up Contact Center Metrics



Aberdeen's June 2017 *The Intelligent Contact Center: Get Smarter to Drive Customer Satisfaction* study shows that 78% of businesses measure agent productivity as a key performance indicator (KPI) to assess their activity results, and 79% do so with first-contact resolution rates. Companies also widely measure the other three KPIs depicted in Figure 3.

As illustrated in Figure 3, firms integrating UC within contact center activities enjoy 3.0 times greater annual increases in agent productivity, compared to those without such integration (16.4% vs. 5.4%). Furthermore, these "UC-enabled contact centers" also improve agent utilization rates by 6.6 times more than All Others (4.6% vs. 0.7%). This is because the agents in those firms are

Definitions

For the purposes of this research, Aberdeen makes the following definitions:

First contact resolution rates: A measure reflecting organizational success in addressing customer needs without the customers needing to contact the business repeatedly — an activity that frustrates buyers and risks firms losing customers.

Number of quality service-level agreements (SLAs) met: A measure reflecting the organization's ability to deliver on commitments made to customers. Such commitments can include connecting a customer to a live agent in less than five minutes after they call.

more productive, so they need less time to handle the same level of customer traffic, compared to their counterparts without UC.

Findings from Aberdeen's May 2017 *Contact Center Workforce Optimization: Productive Agents, Happy Customers & Reduced Costs* study shows that on average, agents spend 15% of their time looking for the information they need to do their jobs. This time might be spent seeking relevant account data, knowledge base articles, or finding a subject-matter expert (SME) to help resolve client issues. In short, poor business communications and content management processes hinder agent productivity. Thus, making it easier for agents to find the right information they need to do their job, helps **UC-enabled firms outpace All Others in improving agent productivity.**

For example, when a contact center agent needs to work with a SME to address a complex product problem, the lack of UC capabilities would require the agent to ask other agents for recommendations, send a company-wide email, or seek assistance from a supervisor. Then, the agent would need to wait until an SME was available to address client needs. Meanwhile, the customer receives no resolution, and is highly likely to get frustrated due to such poor internal communication and collaboration. Using UC, on the other hand, would allow the agent to find and interact with an SME — while simultaneously interacting with the customer. Thus, it maximizes agent productivity *and* minimizes customer effort.

While agent productivity and performance improvements are top-of-mind when managing workforce optimization (WFO) programs in the contact center, other measures of operational efficiency — such as first-contact resolution rates and number of quality service-level agreements (SLAs) met — are equally important (see sidebar on page 4). Data shows that firms integrating UC within contact center activities achieve 2.8 times greater annual increase in first contact resolution rates (8.5% vs. 3.0%) and 3.3 times greater annual increase in the number of quality SLAs met (6.2% vs. 1.9%). This means that UC capabilities help agents handle customer issues at the first point of contact — minimizing the need for repeat conversations — and build customer trust by meeting commitments made to buyers.

The Building Blocks to Maximize Company Success with UC

Integrating UC within business activities is not just about investing in technology tools and expecting employees (e.g., agents) to suddenly start using them effectively. Firms looking to reap maximum rewards must also establish relevant building blocks. Using the contact center as an example, this starts with first determining the top issues impacting agent productivity and performance and identifying how UC capabilities can help address them. One of the reasons why agents spend 15% of their time looking for insights is

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Poor Communication & Collaboration Impact Your Bottom Line

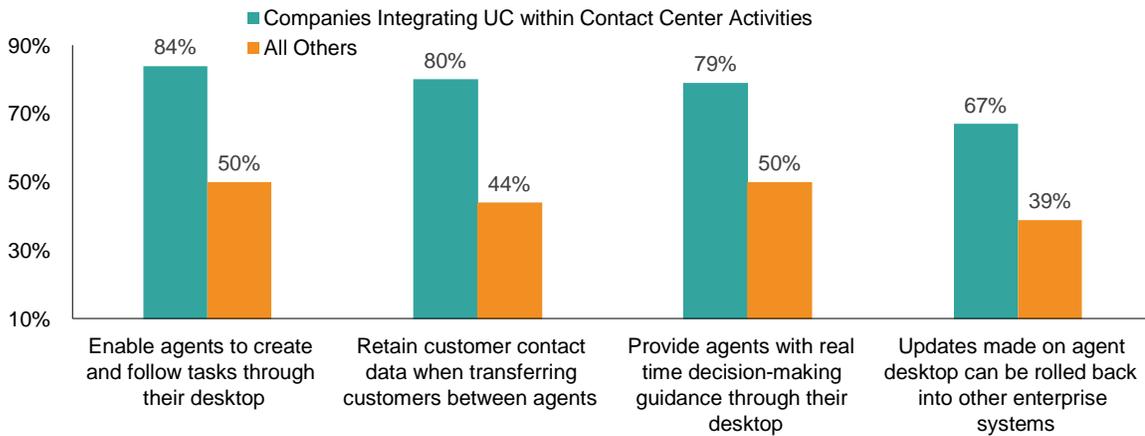
Beyond causing agents to spend 15% of their time looking for insights, lack of easy access to relevant content, due to poor communication and collaboration processes, also impacts the company bottom line.

Let's assume a contact center has 200 seats where each agent costs \$50,000 annually in fully-loaded labor costs. Those agents spending 15% of their time looking for insights, costs the business \$1.5 million *each year* in unnecessary labor costs.

Improving agent productivity by making it easier for agents to find and share relevant insights therefore helps firms using UC minimize such unnecessary costs.

because data across enterprise systems is not integrated. As a result, agents must spend unnecessary time to access and browse multiple systems. Instead, as depicted in Figure 4, UC-enabled contact centers integrate the agent desktop seamlessly with other enterprise systems such as CRM and ERP. This allows agents in those firms to spend less time looking for insights, and more time doing their job — helping customers.

Figure 4: Empowering Employees with Relevant and Timely Insights



Percent of respondents, n=422 Source: Aberdeen Group, March 2018

Consider a scenario where a telecommunications services customer contacts the business (e.g., AT&T, Vodafone, or Deutsche Telecom) to address a software issue with a smartphone. The first point of contact for the customer may be a contact center agent who can help the customer with issues such as changing account details, billing, etc. That agent, however, may not have the technical knowledge to address the software issue. In this case, the agent would transfer the customer to a higher-level support agent or SME who may have the knowledge to address this complex issue.

Customers are likely to get frustrated if they need to repeat the information they shared with an agent in the previous conversation. They expect the next agent / SME to know their issue and quickly address it. Use of UC in the contact center helps firms meet this customer expectation. It does so by allowing the first agent to communicate relevant customer insights to the higher-level support agent or SME. In fact, Figure 4 shows that UC-enabled firms are 82% more likely to have this capability (80% vs. 44%). In addition to minimizing customer frustration, this also helps firms improve agent productivity and utilization results, as the agent / SME handling the second interaction won't need to spend time gathering information that the customer shared previously.

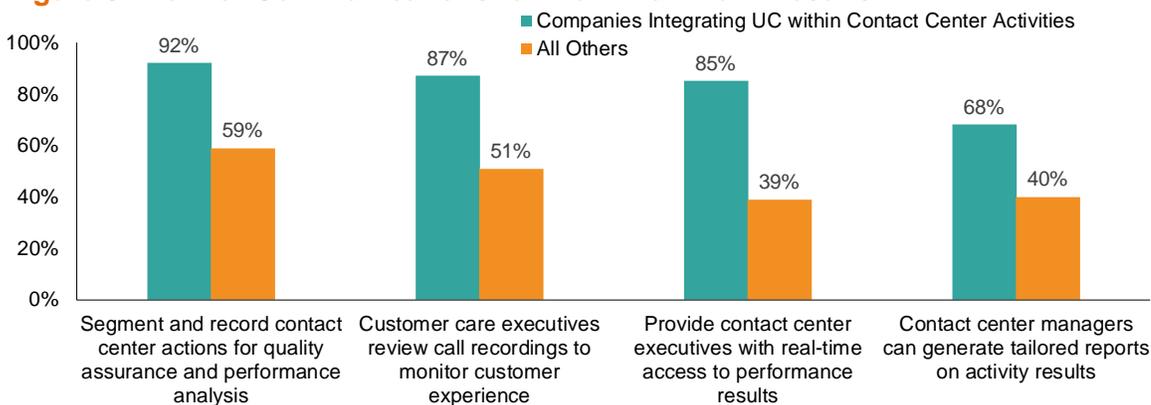
Instead of transferring customers, agents may also create tasks so they can follow-up on a customer request. They can also assign tasks to others (e.g., SMEs) to facilitate faster issue resolution without requiring the customer to

contact the SME. In this latter case, the SME can use the UC platform to see the insights gathered by the agent and can follow up with the customer, based on the task. UC-enabled firms are 68% more likely to have this capability, compared to All Others (84% vs. 50%).

Yet another building block to maximize the benefits of UC is employee / agent guidance. In the contact center, supervisors can use tools such as dashboards and analytics to monitor activity results in real time. For example, a supervisor can analyze the average handle times of all the calls managed by agents in a queue. If the handle time for a specific interaction is higher than average, the supervisor can listen to the interaction and use instant messaging or voice capabilities to guide the agent with the relevant insights needed to address the customer issue without further lengthening the handle time. This, in turn, helps reduce customer frustration, enhances agent productivity and serves as real-time coaching and guidance. Data in Figure 4 (see previous page) shows that UC-enabled firms are 58% more likely to have this capability in place, compared to All Others (79% vs. 50%).

The building blocks observed so far help companies maximize overall employee (e.g., agent) productivity and performance. However, companies must also ensure that their **productive employees create happy customers**. In the case of the contact center, this requires close monitoring of contact center activities to determine how agent activities influence customer experience results. To this point, Figure 5 shows that firms integrating UC within contact center activities are 70% more likely than All Others to provide executives with tailored activity reports (68% vs. 40%). These firms are also 56% more likely to segment and record contact center activities for quality assurance programs and performance analytics (92% vs. 59%).

Figure 5: Monitor Communications to Attain Maximum Results



Percent of respondents, n=422

Source: Aberdeen Group, March 2018

Analysis of agent activities and overall performance can be done in numerous ways. For example, a firm analyzing agent productivity can use tools, such as

What Influences Agent Experiences:

Aberdeen's September 2017 *Agent Experience Management:*

Customer Experience Begins with Your

Agents study asked companies to share the top factors influencing agent experiences (respondents were allowed to pick multiple choices). The top five answers were:

- Fit to job requirements (e.g., technology skills and knowledge): 34%
- Sense of empowerment in addressing customer needs: 34%
- Technology tools facilitating the ability to conduct day-to-day tasks: 32%
- Determined career track for advancement: 28%
- Compensation and benefits: 26%

As illustrated above, providing agents with the right knowledge and technologies by better communication and collaboration results in agents becoming more engaged in their jobs and delivering superior customer experiences.

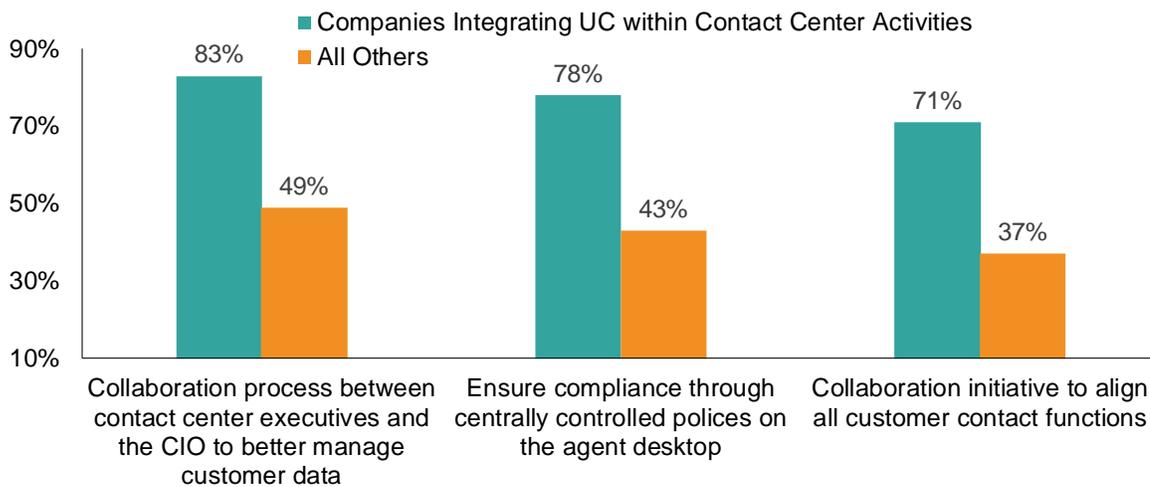
desktop analytics, to monitor how agents use different applications to find the right insights they need to do their job. This analysis might show that agents with poor performance don't regularly use the internal directory provided as part of UC capabilities to find internal SMEs. As a result, they struggle with getting timely guidance on how to address customer issues. Executives would use this insight to train the agents on how to use the internal directory to find and communicate with SMEs to maximize agent productivity and minimize unnecessary handle times. Figure 5 (previous page) shows that UC-enabled firms are 2.2 times more likely than All Others to provide executives with these insights on a real-time basis (85% vs. 39%). This allows these firms to detect and address areas of improvement in a timelier fashion.

A key reason why companies with UC in their technology toolbox outpace those without it across CX metrics, such as customer satisfaction rates and customer retention, is because of the continuous improvements that these firms achieve through regular monitoring of employee / agent activities. While a contact center can handle a customer interaction well, there's a lot more that influences the overall sentiment and behavior of the modern buyer. These include interactions with sales representatives, the relevancy and timeliness of marketing campaigns, and the efficiency of back-office activities. **To build and run a well-oiled customer engagement machine, companies must align the activities of all these stakeholders.** This, in turn, helps firms to deliver omni-channel customer experiences (see sidebar).

Definition: Omni-Channel
 For the purposes of this research, Aberdeen defines "omni-channel" programs as companies delivering truly personalized and consistent interactions to customers across all channels.

Figure 6 shows that UC-enabled firms are 92% more likely than All Others to align all customer contact functions (sales, marketing, and service) to collaborate more effectively to deliver omni-channel interactions (71% vs. 37%).

Figure 6: Make UC An Integral Part of Agent Experience Programs



Percent of respondents, n=422 Source: Aberdeen Group, March 2018

It's important to remember that **UC isn't just for the contact center. It's a communication and collaboration platform that benefits the entire business.** To this point, data in Figure 6 (previous page) shows that firms using UC in their contact center are also 69% more likely to have a process where the VP of the contact center, or customer service, seamlessly collaborates with the CIO (83% vs. 49%).

This collaboration is important, since (as mentioned earlier) lack of systems integration is one of the main culprits of poor agent productivity and inability to deliver omni-channel customer experiences. Through better collaboration with the CIO, contact center leadership can determine and address data management issues impacting their ability to drive efficiency and create happy customers.

Using UC also helps companies bridge the gap across various departments, such as the contact center and back-office, where employees across the business can access information faster, improve efficiency in completing tasks and ultimately create happier customers by becoming more agile in addressing their needs.

A benefit of bridging the divide between IT and the line of business (e.g., the contact center) through UC is compliance. Ensuring compliance with regulations such as *PCI-DSS* and *HIPAA* is vital for firms to minimize risk of litigation, loss of customer trust and poor brand awareness. Because UC-enabled firms have a collaborative partnership between IT and the contact center, they are 81% more likely to also ensure compliance by regularly monitoring and enforcing relevant processes through the agent desktop (78% vs. 43%). This is done by using desktop analytics to analyze agent activities in searching, accessing and using customer data. By using a UC platform, the IT team can more easily communicate with employees, such as contact center agents, to educate them on how to ensure compliance with the latest regulations. They can also notify agents with real-time alerts on the agent screen when agents execute an activity that doesn't comply with regulations.

Recommendations

Companies have rapidly expanded the number of channels they use to serve customers. Buyers, in turn, have rapidly growing expectations, and they want companies to meet and exceed them in a truly personalized and consistent fashion. To remain competitive, innovative firms must put customer experience at the forefront of their activities. However, they must also remember that it's ultimately the employees such as contact

UC isn't just for the contact center. It's a communication and collaboration platform that benefits the entire business.



center agents who manage customer interactions, and other employees who design and manage self-service experiences, that influence customer experiences. Therefore, **to succeed in creating happy customers, firms must start with boosting employee productivity and performance in the contact center.**

As noted in this report, incorporating UC within overall business activities helps firms truly outpace their peers in driving employee productivity and performance gains. These firms not only achieve significant gains in improving productivity of employees such as contact center agents. They also maximize traditional KPIs, such as first-contact resolution rates. These results are rewarded by their clientele. Buyers of those businesses are happier and more loyal, compared to companies not using UC. However, this doesn't mean that simply adding UC capabilities, within the contact center technology toolbox, will help firms achieve those results. For that, companies must also establish the right building blocks. These can be summarized as:

- ▶ Enable agents to easily access the right insights. Connect agents with one another, as well as other internal stakeholders (e.g., SMEs), to align the business around the customer. These activities will help minimize customer effort, while maximizing the overall productivity in your contact center.
- ▶ Use analytics to monitor and manage your performance results. Getting the most out of UC requires regularly monitoring if and how agents take advantage of its capabilities. Use tools, such as desktop analytics, to observe agent activities and provide tailored coaching and training. This will help ensure you're achieving desired results.
- ▶ Use UC to facilitate communication and collaboration across senior ranks of your contact center and IT department. This will help minimize contact center challenges by enlisting IT's help in eliminating disparate views of customer data and setting up more accurate and timely reporting activities. If you're not exploiting the benefits of such a powerful partnership, we recommend doing so, as UC capabilities make it easier to support this collaboration.

Eliminate barriers in your business causing poor communication and collaboration. This will boost employee productivity and performance to address customer expectations.



Related Research

Knowledge Management Paves the Way for Insightful Customer Conversations; November 2017

Agent Desktop Optimization: Help your Agents Help Customers; September 2017

Agent Experience Management: Customer Experience Begins with Your Agents; September 2017

Contact Center Workforce Optimization: Productive Agents, Happy Customers & Reduced Costs; May 2017

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