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Thought Leadership Paper
Commissioned By Contact Solutions,
a Verint Company

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Combine The Power Of IVR And WFO Analytics To Evolve Agent And Customer Experience

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87% of firms say that voice channels are important to their customer support and service operations.

Executive Summary

In today's economy, in which consumers are more empowered by technology than ever before, every customer interaction matters. It is imperative that today's modern customer service organizations offer customers a seamless engagement experience that is personalized, pain free, and connects them to the right service (whether automated or via a call center agent) to address their needs.

Contact center leaders focus on legacy key performance indicators such as call volumes and service levels to the extent that they lose sight of the big picture of how contact centers can truly benefit their business. Data suggests that contact center leaders who go above and beyond the set-it-and-forget-it mentality of cost cutting are reaping enormous rewards and evolving their business. Leveraging smart technology and deeper analytics capabilities of workforce optimization (WFO) suites and interactive voice response (IVR) tools offers a solution for tuning, optimizing, and improving the contact center operations. This, in turn, will drive more efficient operations and higher agent productivity, along with improved customer experience and satisfaction.

In February 2017, Contact Solutions, a Verint Company, commissioned Forrester Consulting to evaluate contact center operations for US-based organizations that are using IVR and WFO solutions as part of their operations. The study was also designed to examine to what extent organizations are driving contact center improvements through IVR and WFO solutions and in-depth analytics on contact center data across the customer journey. While analytics are crucial, not all respondents were successfully leveraging their data and were poised to miss out on rapid growth.

KEY FINDINGS

- › **Organizations recognize contact centers are a key component in supporting customer journeys, but many are not fully leveraging contact center data to drive ongoing improvements.** Most customers will at some point interact with a contact center where a large portion of those interactions begin with IVR. While company leaders from C-level directors to operational owners see the value in IVR and WFO systems, they struggle with optimizing their processes due to a lack of leveraging the deeper analytics available.
- › **Analytics are critical, but companies struggle because IVR and WFO data is held in silos.** Companies are struggling to see a holistic view of their customers' journeys, as the data that is being collected is not integrated well across systems. WFO analytic suites can present a better picture of the full customer journey across the IVR and the transfer to a live agent.
- › **Once companies can connect the siloed data for deeper analytics, customer experience and satisfaction increase.** Companies are working to improve data integration across contact center operations to enhance customer experience with IVR and drive greater personalization. These contact center improvements will drive agent efficiency, drive down costs, and improve customer experience.

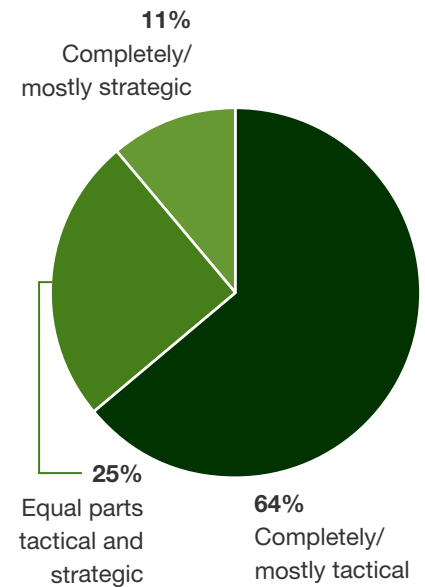
Contact Centers Are Central To Optimizing Customer Journeys

Customer journeys often consist of various touchpoints with a company. While customers will try to do what they can on their own through their journey, at some point they typically need extra support after self-service options come up short — enter contact centers. Yet the way contact centers are managed fails to drive a seamless and personalized customer experience. This is due, in part, to the following challenges organizations face in effectively leveraging their contact centers:

- › **Contact center strategies are more reactive and tactical, rather than proactive and strategic.** Most companies do not have a clear strategic plan to drive ongoing improvements in their contact centers (see Figure 1). The long history of viewing contact centers as cost centers still exists and forces this type of thinking.
- › **Contact centers perform well against operational metrics (i.e., costs) but fall short on more strategic metrics.** Organizations are measuring their contact centers' success through operational costs, average number of service calls per day, and agent turnover, which are, unsurprisingly, where performance is highest (see Figure 2). Focusing on operational metrics has led companies to underperform on more strategic metrics, like customer satisfaction, customer lifetime value, and customer loyalty. Less than a third of organizations are measuring their contact center success by customer satisfaction scores, and, unsurprisingly, 27% of organizations reported underperforming on this metric.
- › **Updating IVR to improve customer experience is not a widespread practice.** Voice is still a leading channel for customer interactions, and IVR is the “front door” for this channel. Yet only 37% of respondents are motivated to implement or update their IVR system to improve their differentiation in the market, personalize the customer experience, and increase their revenue potential. The number who chose to upgrade to improve customer experience falls in a similar range at 36%.

Figure 1

“What best describes your company’s approach to contact center operations, tactical or strategic?”

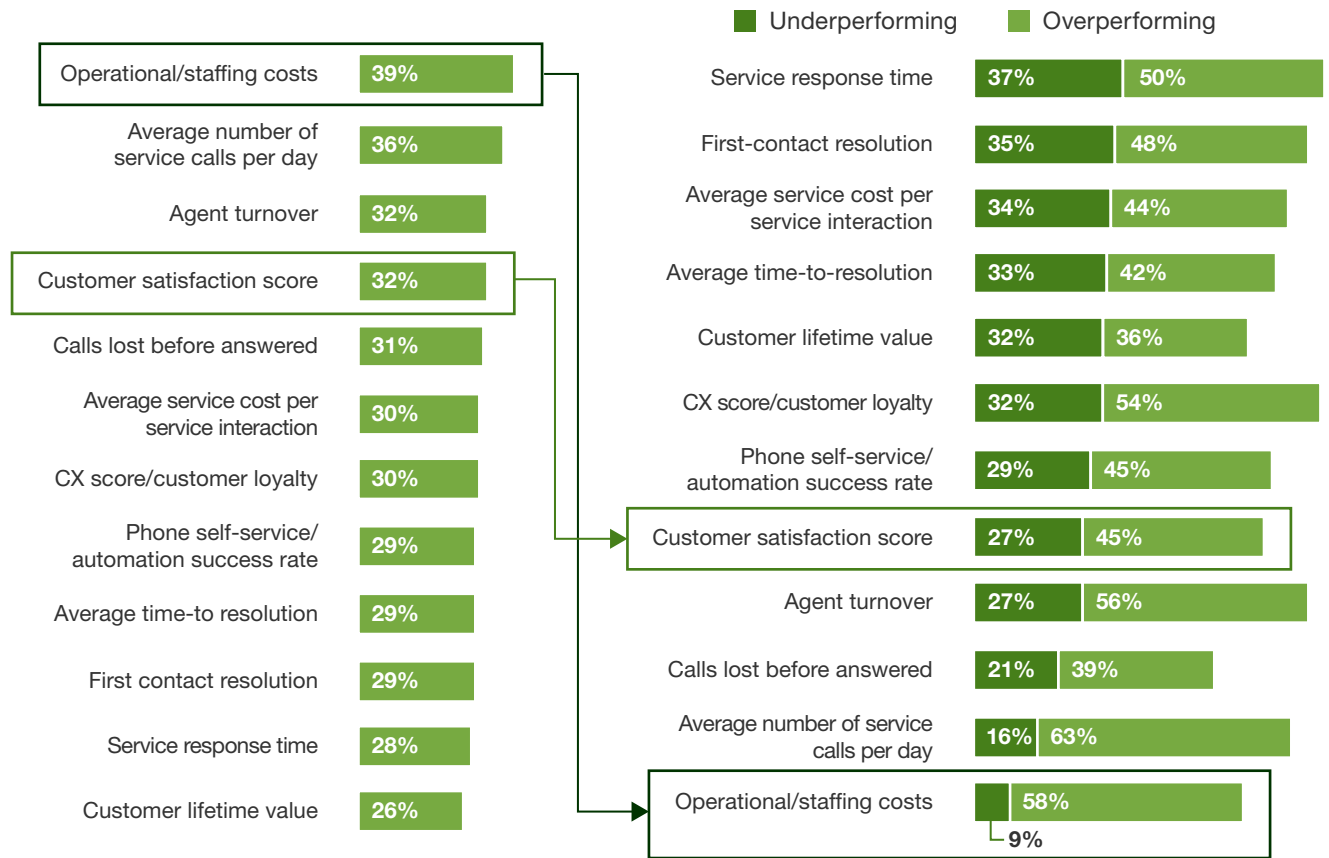


Base: 106 director-level and above contact center operations/senior leaders in the US
Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017

Figure 2

“What are the metrics your company has in place to measure the success/optimization of your contact center?” (Select all that apply)

“Of the metrics your company uses to measure the success of contact center operations, how would you rate your ability to meet performance objectives for each metric?”



Base: Variable director level and above contact center operations/senior leaders in the US
 Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017

Holistic Analytics Are Vital For Driving a Customer-Focused Contact Center

Contact centers house a tremendous amount of data: interaction data, quality monitoring data, IVR data, automatic call distributor (ACD) data, and workforce management analytics. Companies can learn from this data, but without a more strategic mindset for contact center operations, that data isn't being put to good use. From our survey, we found three common problems related to use of contact center data:

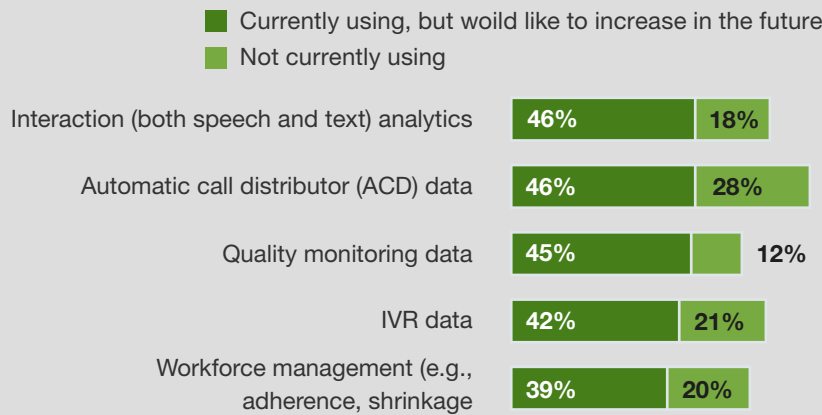
- › **Organizations are not conducting adequate analytics on the strategic data that they have collected.** Approximately 20% of companies are not conducting any analytics on workforce management, IVR data, ACD data, or voice of the customer survey data (see Figure 3). And another 40% said they are using this data already but would like to increase their use of it in the future.
- › **Organizations lack a holistic view of existing data across their company.** When organizations are conducting analytics on the data that they are collecting, it is being processed in silos and lacks a holistic view of the dependencies and factors related to contact center operations. Fifty-three percent of respondents stated that they conduct separate analytics on the individual components of their contact centers to look for areas of improvement for these specific functions. By using disparate systems, organizations are not getting the advantages a 360-degree view of contact center customer interactions. Interestingly, those that operate in silos feel more positive about their analytics capabilities due to their limited viewpoint. They have a good understanding of their specific business function but are unable to connect that with the larger needs of the contact center as a whole.
- › **Data integration is cited as a key challenge for organizations.** The dual challenges of integrating data from disparate existing systems (a challenge for 27% of respondents) and the inability to capture end-to-end reporting analytics (26%) are top technical hurdles to running more efficient contact centers. Because organizations are unable to effectively integrate the data across systems with unified tagging and formatting guidelines, they are unable to glean end-to-end insights from this data and effectively personalize customers' contact center experiences (see Figure 4). As well, the cost of doing integration properly is seen as prohibitive, and over 40% of respondents stated that their budget for contact center improvements is limited.

36% cite data silos between IVR and WFO systems as a top challenge to running more efficient contact centers.

Only 32% of companies surveyed consider their IVR system to be fully optimized, and only 35% strongly agree that major components of their WFO suite are optimized.

Figure 3

“How would you rate your ability to meet performance objectives for the following metrics?”

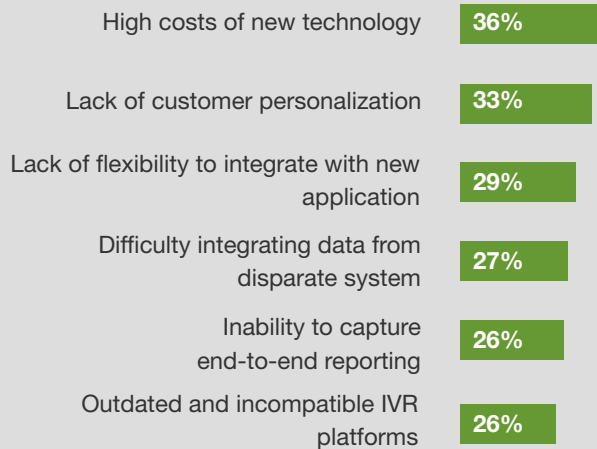


20% of organizations are not conducting any analytics on their workforce management metrics.

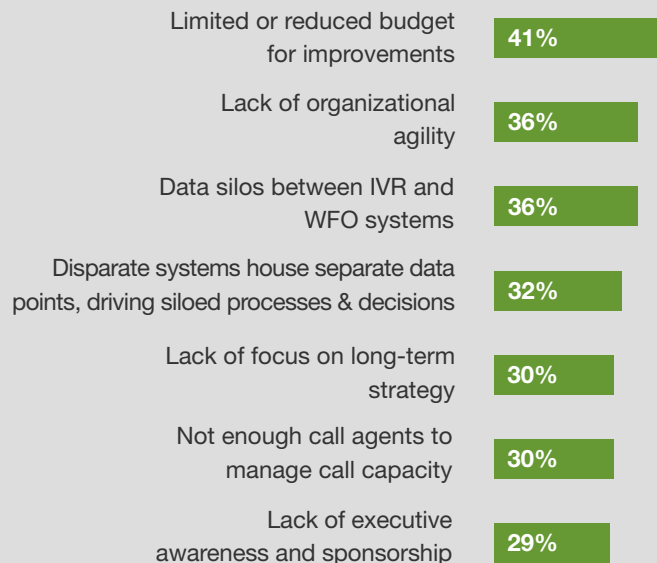
Base: Variable director-level and above contact center operations/senior leaders in the US
 Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017

Figure 4

“What are some of the technical challenges your company faces with running more efficient contact centers?” (Select all that apply)



“What are some of the organizational challenges your company faces with running more efficient contact centers?” (Select all that apply)



Base: Variable director-level and above contact center operations/senior leaders in the US
 Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017

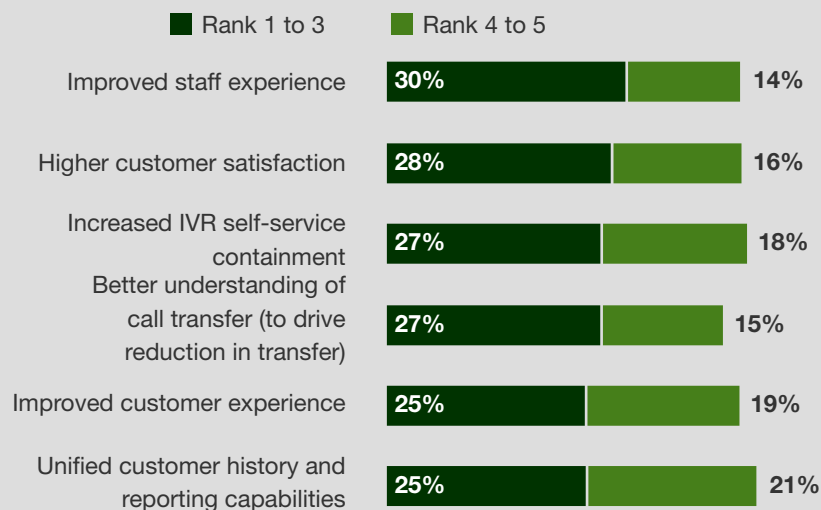
Contact Center Optimization Leveraging IVR And WFO Analytics Will Drive Increased Customer Satisfaction

Companies recognize the need to improve their IVR and WFO analytical capabilities to drive improved customer journey experiences. Forty-five percent of organizations are making the first step by connecting IVR and WFO data to determine opportunities for improved IVR efficiencies and reduced agent call volumes, and 43% percent are running in-depth analytics on their WFO data. These operational improvements will reap numerous benefits for organizations, primarily:

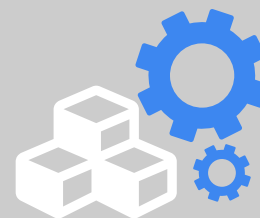
- › **Higher customer satisfaction.** Despite the challenges in optimizing IVR and WFO systems, the benefits that organizations anticipate from better connected data far outweigh them (see Figure 5). Fifty-five percent of organizations already recognize that the first step in improving the effectiveness of their IVR systems is leveraging data and context across the organization (to reduce the need for customers to repeat information across channels). Similarly, 46% of organizations surveyed cited that a unified customer history and reporting capabilities on this data is a top benefit of breaking down IVR, ACD, and WFO data silos.

Figure 5

“What do you expect would be the key benefits from being able to better connect and analyze data from separate data silos (e.g., IVR , ACD, and WFO data)?”



Base: 106 director-level and above contact center operations/senior leaders in the US
 Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017



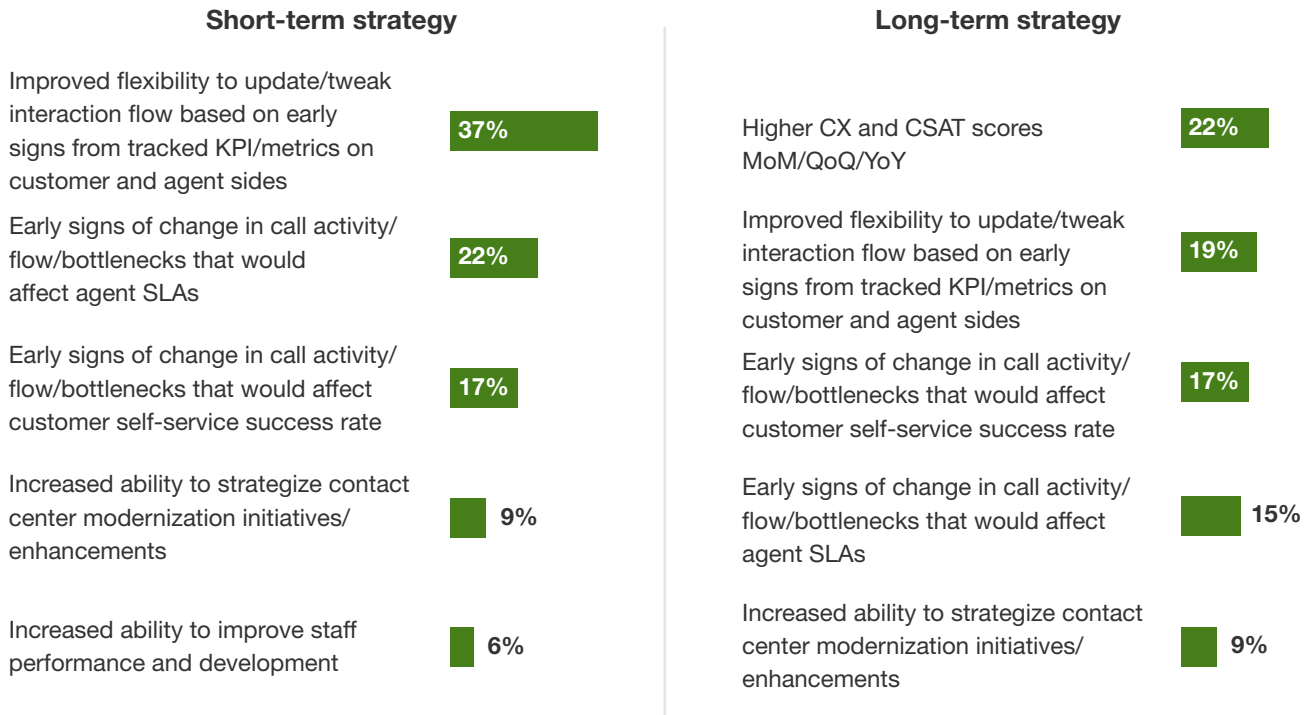
44% of organizations anticipate improved agent experience and higher customer satisfaction as a result of better integrated data systems.

- › **Improved agent experience.** More effective tools and data integration are expected to drive improved experience for contact center staff. More efficient use of IVR and ongoing WFO improvement will bolster agent productivity and improve job satisfaction. When agents feel as if they have the full picture of a customer's journey, they are empowered to assist them in more ways, leading to fewer call transfers.
- › **Improved capabilities for customer self-service.** When we asked organizations about the top benefits of better-connected data analytics, 45% cited an increase in IVR self-service containment and more than a third cited context-aware IVR systems. This can lead to lower call volumes for agents (a benefit cited by one in four respondents). Self-service capabilities will also be improved by breaking down data silos, as this will allow businesses to leverage more customer contextual information for greater personalization of IVR interactions.

The anticipated benefits of more strategic contact centers with integrated customer data are both short term and long term. In the short term, a fuller picture of customers' journeys, from initial contact in IVR to agent in WFO, will improve business agility and the ability to spot and remedy issues before they become a problem. As well, the business will be able to better track against operational metrics to control costs. In the long term, organizations still care about sustained agility and better cost control, but their objective is much more strategic, focusing on higher customer experience and customer satisfaction scores month over month, quarter over quarter, and year over year (see Figure 6). Evolving beyond containing costs and meeting organizational metrics, successful organizations intend to harness the power of integrated contact center data to support customers in a way that will increase their customer experience and customer satisfaction scores.

Figure 6

“If your organization had a fuller picture of contact center interactions, what would be the top benefits of that visibility in regard to near-term and long-term contact center operation strategies?” (Top ranked responses shown)



Base: 106 director-level and above contact center operations/senior leaders in the US

Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017

Key Recommendations

Today's leading enterprises recognize that the integrated data analytics in WFO suites will improve their IVR user experience, drive increased customer satisfaction, and improve the experience of their call center staff. The reverse is also true; improved analytics of IVR can reveal key opportunities for improving call paths and enabling better optimization. However, businesses face many challenges in integrating data and conducting analytics, citing high costs and a lack of a strategic vision for contact centers. To more fully optimize both IVR and WFO systems and create a more sustainable, strategic contact center operation, enterprises must do the following:



Create a clear long-term strategy that highlights how contact centers fit into your overall business.

Valuable insights about customer needs and improvements to products and services can be derived by tapping into the gold mine of information locked inside contact centers. WFO analytics are moving beyond their historical mission of helping to figure out agent staffing and performance to become the repository of customer interactions.



Focus on extending the data management and analytical capabilities of WFO suites to IVR.

Demand and use every bit of intelligence your solutions provide in order to reap the benefits. Create a holistic WFO analytics strategy that will drive improvement for contact centers as a whole, including IVR.



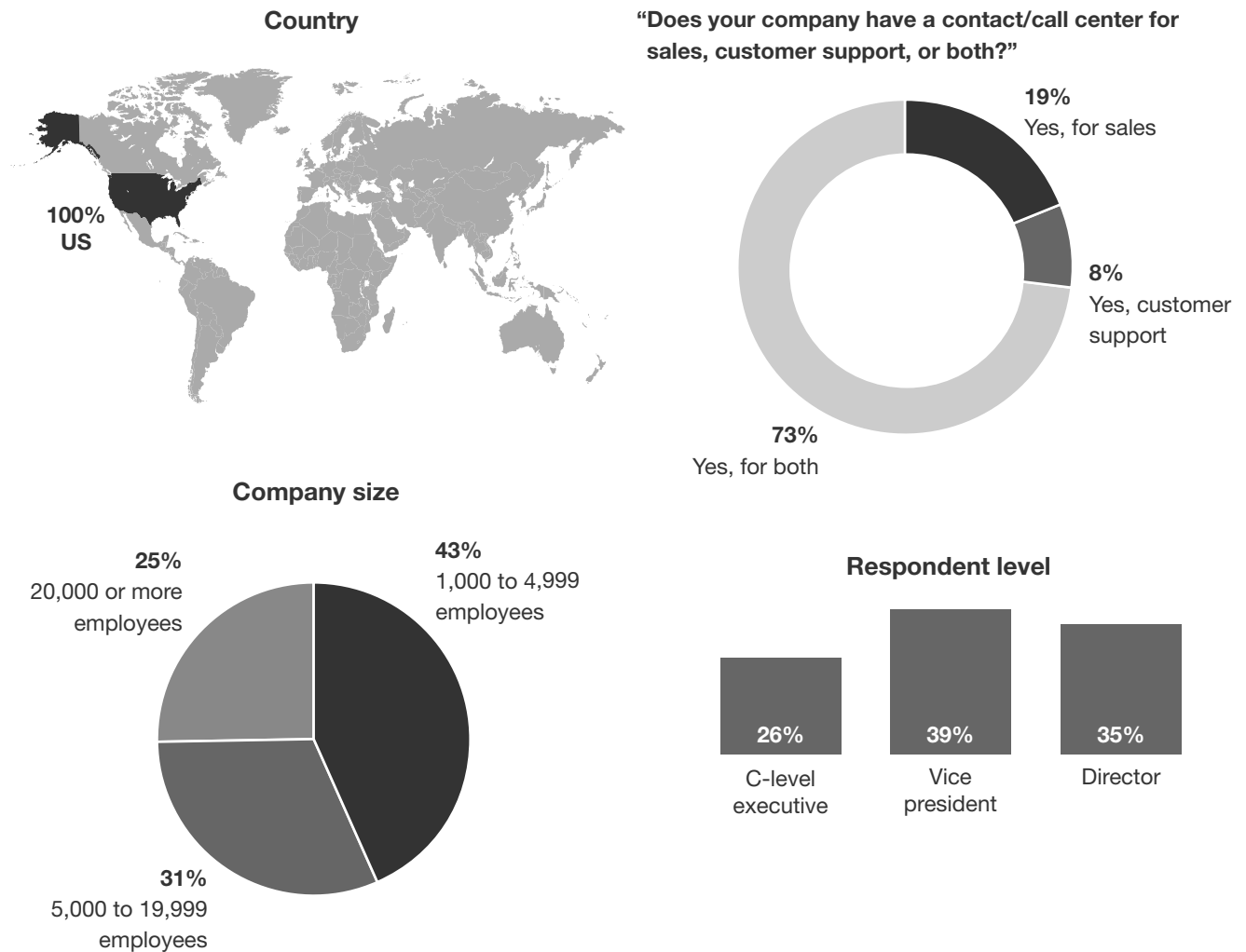
Focus on contact center optimization through improved IVR.

Self-service is key to realizing cost savings, optimizing operations, and achieving key metrics. IVR is essential — voice is not going away. Rather, it is getting more sophisticated in regards to tech options and what it can do for you and your customers. Instead of following a cost-driven management philosophy for IVR, enterprises must tap into better interaction data. This can help build a more personalized and seamless customer journey through to the live agent experience managed by WFO.

Appendix A: Methodology

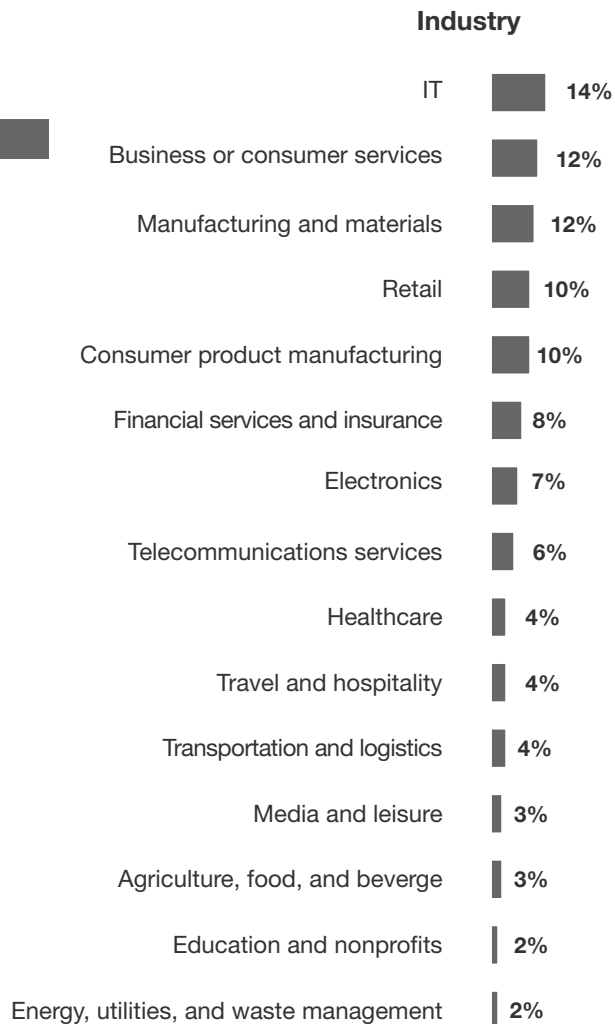
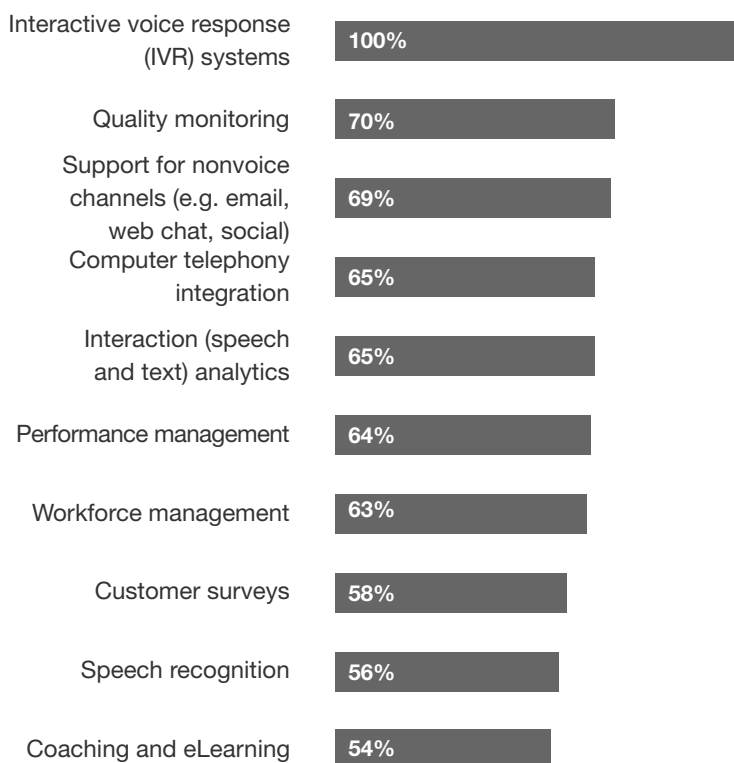
In this study, Forrester interviewed 106 contact center leaders/decision makers (with a title of director or above) in the US to evaluate how data from WFO and IVR systems can be leveraged to help optimize contact center operations. Questions provided to the participants asked about their priorities for contact centers, challenges, and anticipated improvements to contact center strategies and implementation. Respondents were offered an incentive as a thank you for time spent on the survey. The study was completed in February 2017.

Appendix B: Demographics/Data



Base: 106 director-level and above contact center operations/senior leaders in the US
Note: Percentages may not total 100 because of rounding
Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017

“Which of the following does your company implement in its contact center?” (Select all that apply)



Base: 106 director-level and above contact center operations/senior leaders in the US

Note: Percentages may not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Contact Solutions, February 2017