



Part 1 | The Evolution of the Contact Centre

August 2020

A CCMA Research Initiative

Supporting Partner

 Solving Customer Interactions

A catalyst for transformation

Within months of the announcement of lockdown in the UK, contact centres across the country had adapted to the new normal. Necessary adjustments to operating models were made to ensure business continuity. While the nation continues to grapple with the challenges presented by COVID-19, contact centres have demonstrated typical resourcefulness in adapting rapidly and maintaining uptime.

With the near term stabilised, attention is turning to the longer term. Contact centre leaders are evaluating the changes implemented during lockdown to assess which ones are temporary and which ones will endure. What will the future operating model look like?

To explore these questions, the CCMA (Call Centre Management Association), in partnership with Puzzel, conducted a ground-breaking programme of longitudinal qualitative research.

Comprising three waves in July 2020, October 2020 and February 2021, each wave of research involves in-depth discussions with some of the most prominent leaders in the contact centre industry. Subsequent waves will build on previous ones to tell the story of how the industry evolved for the future. This first report reveals how the industry responded to lockdown, the questions that contact centre leaders are asking as they look to the future, and how contact centres are taking on a greater strategic significance within organisations across the UK.

With thanks to

We invited 11 contact centre leaders representing a diverse mix of vertical markets, contact centre types and experiences to a series of focus groups in July 2020 to explore the impact of the coronavirus on the industry. We considered customer behaviour, impact on colleagues and the operation and technology as the enabler.

The CCMA and Puzzel extend their sincere thanks to these individuals for their generous participation in the study.

Jon Bowen, Customer Director, Paymentsshield

Simon Butler, Head of Planning and Business Intelligence, esure

Jonathan Cowie, Chief Operating Officer, Vivid Homes

John Devlin, CEO, Ascenso

Justin Haines, Chief Operating Officer, Paymentsense

Ceri Henfry, Head of Operations, Moneypenny

Sarah Hunt, Membership Director, CCMA

Tracy Kellaway, Director of Consumer Care UK, Estée Lauder

Steven Lee, Director of Business Operations EMEA, LEGO®

Louise Locke, Chief Operating Officer, GFM Holdings

Fauzia Mulla, Director of Contact Centre Operations, Dixons Carphone

Pauline Smith, Head of National Action Fraud, Action Fraud

Stephen Yap, Research Director, CCMA

Foreword

Contact centres have witnessed an extraordinary period of transformation and innovation in the past six months. COVID-19 was the catalyst, but the advances are here to stay.

Having successfully addressed the operational changes needed to function during lockdown, contact centres now have their sights firmly set on the future.

The implications of recent months and the road ahead extend far beyond the shift to remote working. Organisations must respond to customers' shifting expectations and behaviours. Accelerated automation will reshape the role of advisors. Contact centres will become a more aspirational place to work as the skills required of advisors becomes more sophisticated and they will be able

to hire from a broader talent pool as physical location becomes less critical. Marketing, product and R+D teams are becoming increasingly engaged with the contact centre as they become more aware of the value that contact centres are as a source of customer insight.

This is the first of three reports, presented in partnership with Puzzel, that will explore the exciting future that awaits. Thanks to all of our research participants and to you, our reader. I hope you will agree that these are invaluable insights that will give everything working in the industry powerful food for thought.



Leigh Hopwood,
CEO, CCMA

Human experiences are instrumental in determining the future strategy of your contact centres. People representing their brands to support their ultimate customers – you and me. It's therefore heartening but not surprising to see that the first actions taken by contact centre leaders during lockdown supported and protected colleagues and customers.

Many of our customers have told us the same story. The result is that leaders have been able to stress test - with positive effect - both agile working practices and the ability for CCaaS technology to support their rapid decision making, movement to home, flexible working, and success beyond voice

in an omni-channel environment now expected.

The lockdown experience has given these leaders confidence to move forward more boldly knowing that they can adapt quickly and successfully.

With this thought Puzzel has partnered with the CCMA to investigate what's next for these leaders and how the contact centre can and will become central to every company's customer strategy.



Jonathan Allan,
Chief Marketing
Officer, Puzzel

Six trends that are transforming the sector

1. Being agile delivers results

Rapid implementation of operational changes has introduced agile principles to contact centres, which will have a lasting impact.

"We want to bottle the behaviour and create that culture where we can do things rather than finding ten ways of not doing something and using technology as an excuse."

2. Homeworking is here to stay

Flexible working will become the norm, with some organisations already transitioned to a primarily remote-based model, re-calibrating recruitment and training processes to suit.

"We've now reached the stage where we're employing people who have never set foot in our offices."

3. Customer behaviours are changing

Customers quickly shifted their channel preferences as their lives changed and digital channels grew in popularity.

"We had to make some bold decisions and prioritised a few channels, which provide a better customer experience."

4. Forging closer ties with other functions

The contact centre is closer to other functions as appreciation has grown of its role as the front line and the external face of the organisation.

"Our employee satisfaction scores have gone up as advisors feel more informed than ever before."

5. The changing role of the advisor

The role and skill set of advisors are becoming elevated as contact centres become more strategically valuable and lower-effort interactions are migrated to automation and self-service.

"We are trying to create a group of higher-skilled professionals, with higher average handling time and better salaries, to which you can attach qualifications."

6. Contact centres are becoming more strategic

Contact centres are become more strategically important to organisations as customer channels proliferate and the contact centre is involved in a wider array of customer journeys.

"There's been a lot of effort made in the organisation to focus on us, and to support us. We have also seen recognition of the role the contact centre plays."

1. Being agile delivers results

Prior to COVID-19 omni-channel capability and flexible working had already been high on the agenda for the UK's contact centres. However, it was the emergence of the pandemic that stirred contact centres up and down the country into action, and to make decisions and investments that would irreversibly impact their future trajectory.

"We started our decision-making with two key principles: what will our customers say about us and the service we provide at the end of the pandemic, and how will staff say they have been treated?"

Jonathan Cowie, COO, Vivid Homes

As soon as lockdown was announced on 23 March 2020, contact centres had to act quickly. A few had already started to prepare in advance, and international organisations that had already experienced lockdown in overseas operations were able to transfer early learnings from lockdown in other countries to their UK operations.

For many others, however, the lockdown announcement meant the need to make sudden and unexpected decisions and implementing far-reaching changes under extreme time pressures. Offices were shut and teams were migrated to homeworking in a matter of days, while customer expectations and demand patterns changed overnight. Bricks-and-mortar businesses were inundated with an influx of customer demand to

online and phone channels. For retail businesses, pivoting from serving customers in stores to serving them via online channels required an especially colossal effort.

"We had to make some bold decisions and prioritised a few channels which provide a better customer experience."

Fauzia Mulla, Director of Contact Centre Operations, Dixons Carphone

The transition to homeworking has opened the eyes of many in contact centres. Important learnings have surfaced and leaders anticipate a profound and far-reaching impact on culture and decision-making.

"Because we had to do it, we found a way to do it, and if we were doing this in BAU we'd still be sitting here trying to figure out how to get people to work from home. We're not letting perfection get in the way of pragmatism and that's been a big unlock for us."

Jon Bowen, Customer Director, Paymentsshield

"We realised during lockdown that we can be agile. We're not the oil tanker. We want to bottle the behaviour and create that culture where we can do things rather than finding ten ways of not doing something and using technology as an excuse."

Fauzia Mulla, Director of Contact Centre Operations, Dixons Carphone

“ The contact centre is evolving from its infrastructure heavy and rigidly process driven history but the end goal is clear. An AI driven, automated, fluid environment that responds to customer and employee needs using self-service, all channels, complete customer history, bots and real people. Optimised to proactively meet personal needs, profitably.

Until recently the speed of movement to customer service 2.0 was slowed by old processes but during

lockdown the rules were bypassed to enable a rapid response. Colleagues moved to their homes, customer journeys were optimised and new channels opened. This step forward was achieved by adopting a new agile approach, and having proved this leaders are now ready to embrace the future - knowing that first mover advantage is always vital.

“
Jonathan Allan,
Chief Marketing Officer,
Puzzel

2. Homeworking is here to stay

Most contact centres effected a lift-and-shift in a matter of days to enable advisors to work from home, demonstrating how a truly compelling event could enable a rapid change to a contact centre operation.

Other than a few exceptions where personal circumstances such as lack of space or impact on other household members made homeworking impossible, in the main advisors in the UK were able to relocate quickly and a sense of normality was promptly achieved. Many contact centres reduced their operating hours initially to help manage the transition but are now rolling back to pre-lockdown availability.

In the absence of face-to-face interactions in the office, contact centres have scheduled regular check-ins with advisors and have ramped up their internal communications. Voice of Employee surveys have become increasingly important to help monitor advisor sentiment and to identify potential pinch points. Recognising the isolation risks that homeworking can pose, many contact centres have introduced virtual team-building activities, for example closing early on Fridays to host internal team sessions.

"We didn't want to do some of things we would ordinarily when we experienced a time-limited peak like strip out shrinkage for example, because we knew this was going to be a tough time for everybody. In fact we put extra shrinkage in to support our people for example introducing "Wellness Wednesday" which is an extra hour break to promote well-being activities."

Steven Lee, Director of Business Operations EMEA, LEGO®

Planning for the future

"I'd love to be in a situation when people can choose the hours and days they work. But I don't want to lose the concept of a hub office. People gravitate to our offices, we get the cultural and brand immersion and social interactions too in ways that you cannot replicate in a remote setting. Overall they are nice places to be!"

Steven Lee, Director of Business Operations EMEA, LEGO®

"We're in this strange situation of not needing to get everyone back into the office and asking if we should. We need to make strategic decisions on the future operating model. What do we do with city-centre offices on long leases if we pivot to homeworking?"

Simon Butler, Head of Planning and Business Intelligence, esure

With this radical backdrop, contact centres in most cases are offering their advisors some flexibility in being able to choose where to work. Most contact centres foresee no full-scale return to previous levels of on-premise working, but rather a hybrid approach dictated by multiple considerations. Personal preference will be considered, but it is also incumbent on team leaders to help individuals make the right decisions based on where they are most effective. Some advisors who ask to work from home are actually more productive in the office, and some contact centres are already deploying psychometric evaluations and reviewing metrics to inform individual decisions.

Some centres have already made the decision to migrate permanently to a primarily home-based model, citing cost savings as well as the opportunity to recruit from a wider pool of advisors instead of being confined to the available talent pool residing in a specific location.

"It's a bit of a gift we've been given out of a horrible situation. In the long term approaching the way we work differently could create a huge saving on potential building-expansion projects."

Ceri Henfry, Head of Operations, Moneypenny

"Commercial property is a risk. No-one wants to be making those big commitment decisions at the moment. We're going to use our existing estate to on-board new colleagues. Once graduated they'll be considered for working from home, which many may see as a benefit."

John Devlin, CEO, Ascenso

Others point out the complexities of operating a hybrid model, for example the need to re-engineer recruitment, on-boarding and training processes. Different processes will be needed for advisors who work remotely versus those who work in the

office. Almost all contact centres' performance management methods and systems are built for a face-to-face setup and will require modifying for colleagues based remotely.

"We are considering implementing a hybrid model, but it's about doing it in a way where we're really comfortable that we're fulfilling Health and Safety obligations rather than 'yeah, we think we're ok'."

Ceri Henfry, Head of Operations, Moneypenny

"For example, recruiting the right people who can take responsibility for their own IT. Some of those [benefits] get removed if you still need to create an environment where people still have to spend some time in a fixed location."

Simon Butler, Head of Planning and Business Intelligence, esure

“ Working from home has highlighted the emotional and psychological benefits of working in an office. Contact centre colleagues have adapted well but in some cases have lost their support network, are working in an environment that may not be designed for work, and some are also looking after a young family at the same time.

The best contact centre leaders are rising to this new challenge and looking to technology for support.

Video conferencing, online mentors, agent assistance tools, online training, as examples. They're renewing their colleague retention strategy and building this around ease of working – flexible (rather than home) working, simple and easy to use all in one agent applications, AI driven knowledge base and automated call scripts. **”**

Jonathan Allan,
Chief Marketing Officer,
Puzzel

3. Customer behaviours are changing

"The nation had a crash course in digital ways of working and shopping."

Fauzia Mulla, Director of Contact Centre Operations,
Dixons Carphone

As the UK adjusted to life in lockdown, an immediate shift was observed in customers' behaviours and expectations. Providers of car and travel insurance saw an initial decline in contact centre demand as driving and travel were curtailed. Other insurers, for example providers of landlords' insurance saw more deliberate, intentional conversations with policyholders concerned about the impact on their rented properties and taking time to review their coverage.

As physical retail instantaneously vanished, e-commerce boomed. Faced with a drastic increase in online customer activity, retailers and manufacturers of consumer goods quickly moved recruitment and induction programmes to a virtual environment and hired new advisors.

As stores were shut and telephone wait times lengthened due to increased demand, many customers switched to online. Responding to this change in channel preference some providers quickly ramped up chatbots, social channels and private messaging apps.

"We opened up our direct-messaging channel in Facebook and Twitter for the first time to make sure

we were supporting this growing channel, and we did it really quickly."

Steven Lee, Director of Business Operations EMEA, LEGO®

For many, the situation has underscored the value of migrating customer interactions to self-service channels to manage demand and ensure advisors' time is directed to problems that customers cannot solve themselves.

"There's no reason why for 100% of the things that the customer contacts and asks of us, we should be the barrier and force them to speak to someone to get it done. We are accelerating our move to self-service."

Jonathan Cowie, COO, Vivid Homes

Faced with severe constraints in many aspects of their everyday lives, many customers were gratified that contact centres were still open for business and were content with longer wait times. In fact, many contact centres reported skyrocketing customer satisfaction ratings due to lowered customer expectations, albeit ratings are now mostly reverting back to normal levels.

In response to the change in customer context, a number of teams shifted away from measuring Average Handling Time in favour of measuring problem resolution.

“ Behaviour, circumstance and empathy have aligned to alter the way people purchase and consume services, and the expectations they have from the contact centres that support them. The short term reduction in customer expectations that's driving increased customer satisfaction scores will return to previous levels once we've all adapted to a new way of living. However, the accelerated move to online services and digital channels is here to stay.

The expectation to receive support on social media. The ability to initiate a web chat to book an appointment. Being able to access an AI driven knowledge base for online self-service. At Puzzel we refer to this as success beyond voice. These expectations are here to stay and companies need to offer omni-channel options or they risk losing customers, and fast. **”**

Jonathan Allan,
Chief Marketing Officer,
Puzzel

4. Forging closer ties with other functions

Turning the challenge... While many advisors have flourished while working from home, others have found it difficult. Lack of space can be a problem. The feeling of isolation and the impact on families can be particularly acute for advisors working overnight, without the camaraderie of sitting together with colleagues.

Advisors who regularly handle sensitive customer conversations have been especially affected by the lack of separation afforded by working at an employer's premises. There is extra onus on team leaders to be particularly perceptive and considerate when working with advisors struggling to cope.

"The more difficult the call, the higher the propensity of people wanting to be in the office. You take things more personally when it's in your own lounge or bedroom."

Ceri Henfry, Head of Operations, Moneypenny

"What I've seen is that people leaders are becoming more emotionally attached to other people's problems. We are inviting people into our homes and this has created a more authentic leadership style from our leaders. It's also been a stretch for our people leaders who have had to quickly react to new situations that arise with people based in their home setting. How do we ensure our leaders are equipped to handle this in the future?"

Steven Lee, Director of Business Operations EMEA, LEGO®

...into an opportunity While some advisors have found the transition difficult, on the whole contact centre leaders report that the shift to remote working that has been successful and has yielded benefits both expected and unexpected.

"What we all thought previously was that the engagement, the relationship between manager and advisor, the culture of the business could only survive within four walls. That's not been the case – we've seen the culture actually thrive within the homeworking environment. We've now reached the stage where we're employing people who have never set foot in our offices."

John Devlin, CEO, Ascenos

Teams have rallied together during the transition and leaders are more visible than ever. Contact centre management teams have worked hard to maintain connections with their teams and are conducting more training and one-to-one sessions than ever before. Visibility into the wider organisation has also increased. Top managers who historically may have been somewhat removed from the front line have ramped up staff communications via webinars and town-hall meetings. Social campaigns, both internal and external, have also helped advisors to feel more connected with the wider business.

"All of a sudden advisors had access to senior people and this opened up the eyes of the exec team, some of whom had been further away from them. Our employee satisfaction scores have gone up as advisors feel more informed than ever before"

Justin Haines, COO, Paymentsense

As company leaders have become more visible in the contact centre, so the contact centre has become more prominent in the company. Awareness has grown that contact centre colleagues represent the frontline and the face of the organisation. Colleagues in all parts of the organisation have had to adjust to the cadence of working full time at a desk and screen with

pre-arranged meetings, which has fostered greater empathy for the rigorously scheduled and structured contact centre environment.

"There's recognition that in a contact centre environment it's very different to working in central teams where you can just get up (and talk to people) whenever you want."

Jon Bowen, Customer Director, Paymentsshield

"We never felt (the sense of) partnership as strongly as we do today, regardless of whether people are remote or in the office."

Louise Locke, COO, GFM Holdings

Despite the lack of physical proximity videoconferencing can actually reinforce the connection between colleagues.

“The customer is the central theme in the majority of company mission statements, but how is this moved from statement to reality? A fully integrated view of all customer data is critical and traditionally this included data from CRM and ERP systems, and has now evolved to include marketing automation and support status and cases.

Those at the forefront of customer experience

"People on (Microsoft) Teams have got to know their colleagues better. The personalisation of watching their cat wander behind them."

Jonathan Cowie, COO, Vivid Homes

"During this period my three-year-old decided to join a few conference calls. It brought vulnerability and made me into a person. It said: we're all in this together and I completely empathise with you trying take the customer's call with your child in the background."

Fauzia Mulla, Director of Contact Centre Operations, Dixons Carphone

are now looking to the invaluable information in all interactions with customers held within the systems used by the contact centre. This elevates the contact centre to a strategic group and enables partnerships with other customer facing departments. Putting the customer, and therefore the contact centre, front and centre. **”**

Jonathan Allan,
Chief Marketing Officer,
Puzzel

5. Changing the role of the advisor

"We need to make customer service a viable career choice. We have still yet to make this a recognised, skill-based service for people to be in. COVID-19 has proven this across every single sector. No-one could have survived without ringing someone from customer service and asking for help. This is our moment."

Louise Locke, COO, GFM Holdings

As the array of customer journeys supported by the contact centre broadens, the skill sets of advisors are evolving. Contact centre leaders point to the gap between current public perception of contact centre work as low-skilled versus the increasing complexity of the advisor role, for which individuals are required to possess not only soft skills but strong product knowledge and problem-solving capabilities.

Increasing deployment of self-serve, chatbots and other automated technologies will also contribute to elevating the role of the advisor.

"We are trying to create a group of higher-skilled professionals, with higher average handling time and better salaries, to which you can attach qualifications."

Jon Bowen, Customer Director, Paymentsshield

“ Are we currently experiencing a lockdown driven acceleration of the digital journey that society was already on? We hear from retailers who've moved their colleagues from the store to the contact centre, or are increasing their contact centre to meet customer demand. This transformation will bring with it new jobs but also new responsibility and roles. Imagine for example a personal shopping experience delivered via a contact centre – an advisor dropping into a

"However much we move online, it's the human interaction which is going to pick up the more problematic areas. I think therefore it accelerates the skill sets and the pay scales for frontline teams."

Jonathan Cowie, COO, Vivid Homes

The contact centre is evolving beyond its origins in operations to play a much greater role in marketing and customer experience. This is a profound shift which will bring growth, investment, hiring and new skills to the contact centre as the contact centre itself becomes more deeply embedded into all aspects of the organisation.

"It's not going to be about just phone, email, webchat and social networks. I'd like to be present on review sites, app stores. Wherever customers are talking about LEGO® I'd like to be there and see where we can add value to that conversation. This will change our operating model. We might need to set up different teams, for example the 'must do' interactions versus the discretionary ones, with different capacity models, tools, training and skills. To do more of the discretionary stuff you hope to automate more of the core stuff."

Steven Lee, Director of Business Operations EMEA, LEGO®

digital environment to guide their client through the shopping experience. The advisor will also become the owner of the customer relationship. The guardian of the brand. Placing more focus on contact centre operations to provide technology and data to empower, guide and support their advisors. **”**

Jonathan Allan,
Chief Marketing Officer,
Puzzel

6. Contact centres are becoming more strategic

"There's been a real shift in our organisation to the supply chain and to contact centres. There's been a lot of effort made in the organisation to focus on us, and to support us. We have also seen recognition of the role the contact centre plays."

Fauzia Mulla, Director of Contact Centre Operations,
Dixons Carphone

The high profile that contact centres have enjoyed in 2020 is set to persist into the longer term. More than ever, the contact centre is transcending its historical role as a downstream channel for customer service to become the upstream face of the organisation. Buoyed by its success in quickly transitioning to flexible working and adjusting to changing customer demands, a fundamental shift is underway: from the contact centre as reactive to a proactive entity, that not only serves to handle inbound queries but serves to communicate and exemplify the organisation's mission and values in an outbound way.

For some this strategic shift is part of a wider recalibration of organisational purpose.

"We set up a brand-new, real-time care hotline to help victims of a Universal Credit scam. We are impressing people we wouldn't normally impress, like the Home Office."

Pauline Smith, Head of National Action Fraud

"We've rolled out funding support for foodbanks to help residents during lockdown. There's a strong recognition now of our frontline workers and the role they play. It's not just about they're there to answer the phone. They are the brand and they are the person that's solving the problem."

Jonathan Cowie, COO, Vivid Homes

Contact centres are also taking on a greater significance for retailer and FMCG brands. Historically such businesses have considered physical stores as being the front lines of their brand, and contact centres as back office. As consumers continue to migrate more of their browsing and shopping to online there is a growing appreciation of the role that contact centres can play.

"What happens in the contact centre is quite difficult and therefore has more of an opportunity to be a turnaround moment."

Tracy Kellaway, Director of Customer Care UK,
Estée Lauder

To respond to this shift retailer brands are redesigning their customer journeys, not only for customer care and case resolution but also product discovery, recognising that online touchpoints and contact centres are increasingly important in the path to purchase.

“ Watching the speed at which contact centre leaders and colleagues have adapted and continue to adapt to the changing situation is both inspiring and motivating. Driven by the desire to protect colleagues and customers alike has set them apart from all other business functions. The boardroom now understands the mission critical role that the contact centre plays. Both in the short term as customer support and revenue delivery, but more importantly as central to

extending customer lifetime value.

The contact centre possesses the key to a complete view of customer behaviour and the business is fast understanding that by connecting data from all customer interactions they can proactively drive experiences that lead to customer delight, retention and growth. **”**

Jonathan Allan,
Chief Marketing Officer,
Puzzel

Coming next...

In the Autumn we will delve further into the strategic contact centre as we conduct wave two of the Evolution of the Contact Centre research programme. We will be exploring how the contact centre is adapting further, covering areas such as:

- How data collected and held in the contact centre is valuable insight that can be used for marketing and product development

- Contact centres as a source of profit and competitive advantage
- Getting closer to the boardroom: how contact centre leaders can wield influence in the organisation
- The growth of digital and making the right technology decisions
- How to get the best out of partnerships with technology vendors and transformation experts.

We hope you will join us on this journey.

www.ccma.org.uk/insight/evolution-of-the-contact-centre/

...to be continued



0333 939 9964 | www.ccma.org.uk

@ccmatalk | info@ccma.org.uk