



THE UK CONTACT CENTRE  
DECISION-MAKER'S GUIDE 2020-21  
(18<sup>TH</sup> EDITION)

THE DIGITAL CHAPTER

SPONSORED BY



“The 2020-21 UK Contact Centre Decision-Makers’ Guide (18<sup>th</sup> edition)”

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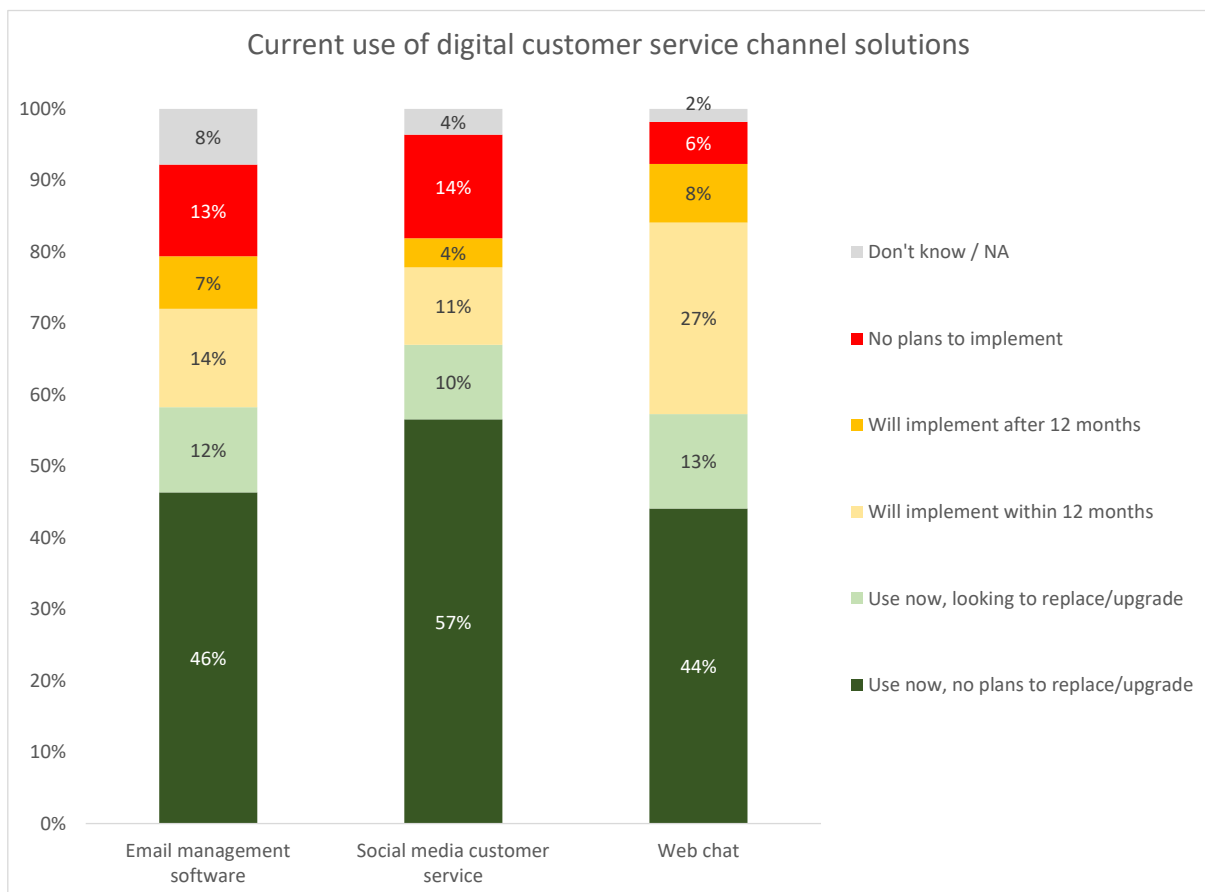
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DIGITAL CHANNELS

The ‘Digital Channels’ chapter looks in-depth at the widely used digital channels – email, web chat and social media – to understand their prevalence and how they are being handled, along with the service levels provided and how they compare with more traditional channels.

The following chart shows the solutions that are being used to support digital channels, with at least half of respondents using automation or agent-supporting solutions for each of web chat, email and social media. Interest in these solutions from those not already using them remains strong, especially for web chat.

Figure 1: Current use of digital customer service channel solutions



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## EMAIL

Email was the first of the non-voice multimedia channels to be used, and is still by far the most well-used, having been mainstream for well over 10 years.

Email should stand as a salutary lesson that it is not businesses that make new channels a success, but customers. Email, in its first incarnation, failed almost entirely. Too many businesses rushed to push customers to this new channel – commonly supposed to be cheaper than voice – without having the processes, solutions or staff to manage this properly. What happened next can be understood as a ‘herd inoculation’: enough customers had enough bad experiences from enough organisations that the entire channel was discredited, even for those businesses which were providing a reasonable service through email or just keeping a watching brief.

The reason for this rejection was the unacceptable level of service provided by many of the early multimedia businesses. With response times stretching into many days, if not weeks, the companies failed to understand that any communication with the business has a degree of urgency to it, else why would they be trying to speak with the business at all? Of course, even when a response was eventually provided, the issue might have gone away, or been dealt with by calling the contact centre, meaning that customers’ existing confidence in the voice channel was further reinforced at the expense of the email channel. It is also the case that email does not fit the type of enquiries that people make in some cases, such as the need for quick, simple and confidential information (such as an account balance), and the increasing requirements for identity checking places a cap on the usefulness of email as a channel for some types of business.

It took many years, much investment and the coaxing of customers to try new channels again for email to emerge as being credible. Of course, businesses and customers now both realise that email is more suitable for some interaction types than others (the rise of web self-service has meant email is no longer the only online communication method available), and complex issues such as complaints, or other enquiries requiring a formal paper trail are well-suited to email. In fact, much of the demise in the letter and fax as channels can be traced to a direct replacement by email. Email is also an excellent outbound channel, providing reassurance, great levels of detail and attachments, and is able to link to other specific areas of information via hyperlinks. As an inbound channel, it has inherent weaknesses: an inability to carry out customer authentication and to carry out a real-time 2-way conversation being amongst them, as well as the lengthy wait to get a response. However, it does have the advantage over virtually every channel that there is no queue time at all – the customer writes the email and presses ‘Send’ immediately – a ‘fire and forget’ interaction.

Retail respondents often report the greatest proportion of inbound traffic as email, with the B2B manufacturing and services sectors also receiving high levels.

The insurance sector again shows high levels of email after many years of very little activity, and this may be due to a change in working practices which allows customers and intermediaries to send through documents via email rather than by the more traditional fax and letter. Only finance respondents reported less than 10% of interactions as email.

Figure 2: Inbound interactions that are email, by vertical market

Vertical market	% of inbound interactions that are email
Manufacturing	24%
Retail & Distribution	22%
Insurance	22%
Services	19%
Housing	19%
Utilities	16%
Transport & Travel	16%
Outsourcing & Telemarketing	12%
Public Sector	11%
TMT	10%
Finance	7%
<b>Average</b>	<b>15.4%</b>

As with previous years, emails are proportionally less important for large contact centres, although this gap has shrunk considerably over recent years.

Figure 3: Inbound interactions that are email, by contact centre size

Contact centre size	% of inbound interactions that are email
Small	20.1%
Medium	14.2%
Large	11.3%
<b>Average</b>	<b>15.4%</b>

The cost of email is a little lower than live telephony (which has a mean of £4.55 this year), but it is still considerably more expensive than a self-service session. In a similar way to live phone calls, emails are getting longer and more complex as the easier work is handled through self-service, which is keeping their average cost up despite a move towards using more automation to answer them.

Figure 4: Estimated cost per email

Email cost	
Mean	£4.10
1st quartile	£4.30
Median	£2.89
3rd quartile	£1.70

### Do you need an email response management system?

An organisation that has relatively small volumes of email will tend to handle it initially on an ad-hoc basis, often using Microsoft Outlook to do so. At some point, the contact centre will realise that costs are going up and quality going down, and that they need to implement the more sophisticated email response management system. What signs are there that show this is the right time to do so?

- While there is no fixed figure for email volume, as it will depend on the complexity and time required to handle each one, organisations receiving greater than 100 emails per day are likely to have issues handling and tracking them
- There are a significant number of customer telephone calls that refer to emails that were sent, but which never received a response
- Prioritisation and routing of emails to agents with specific skills sets is no longer a matter of a few minutes of management time
- Email handling times are not going down, despite most being about a small number of topics
- Complex emails may take days or even weeks to resolve, and different agents may be working on similar types of issue without even realising it, thus duplicating the effort
- You lack flexibility in dealing with spikes in email traffic, as it is too difficult to bring secondary email agents to bear without damaging the voice channel’s service level
- Visibility and accuracy of service levels for email channel is worse than that for the voice channel
- It is difficult to report on the content of the emails that you receive as this has to be done manually.

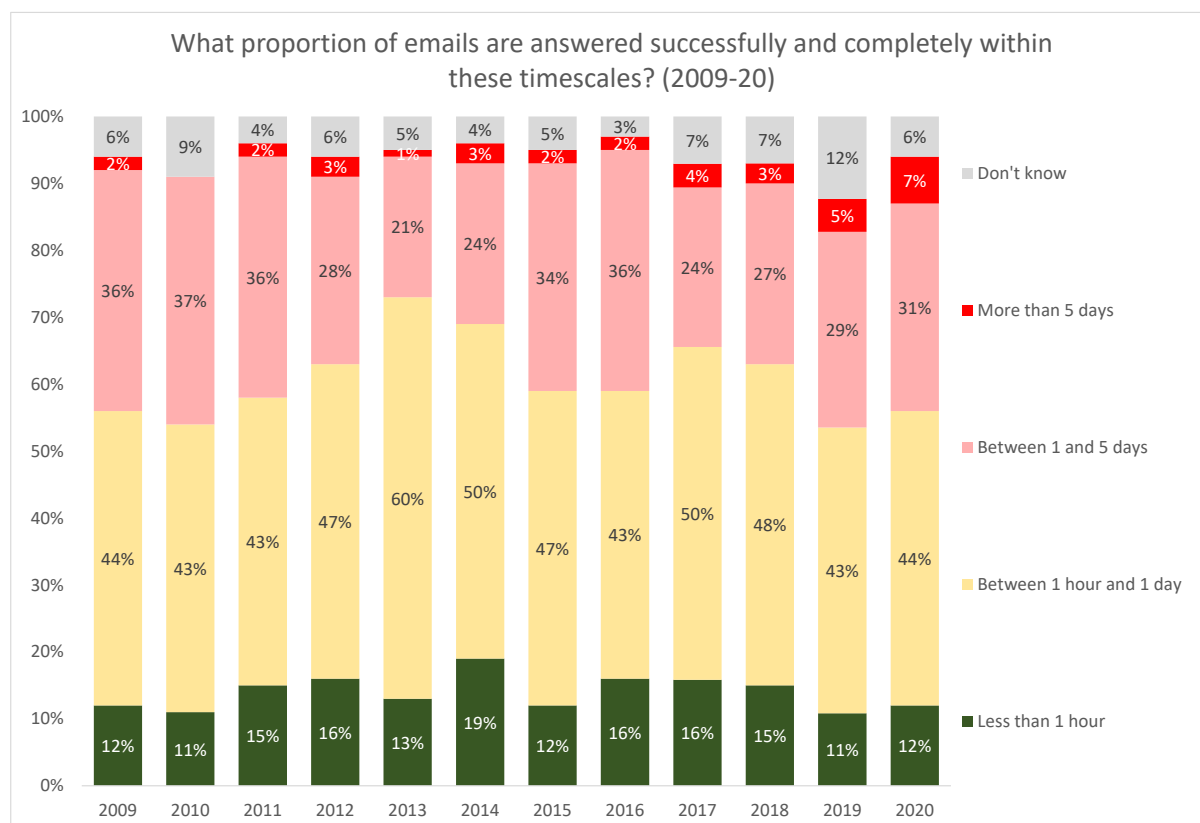


For businesses that handle substantial volumes of email, while it is not suggested that they should aim to answer an email in the same amount of time that it takes to complete a phone call, it is desirable to manage all interactions closely to consistent business rules, and to act quickly if service levels slip. Too often it seems, contact centres have become so used to managing the telephony queue that they neglect multimedia interactions. The result is that multimedia response times (mostly email) have historically been sacrificed to meet telephony service levels, and although there have been steady improvements in response rates in recent years, these seem to have tailed off somewhat.

In 2015, reported email response handling times reversed the improvements of recent years, especially in the all-important ‘less than 1 hour’ segment. This year, the proportion of emails answered the same working day has is only 56%, while those taking more than 1 day has grown again to 38%.

Taking longer than one day to answer an email runs the risk of the customer losing patience, and going elsewhere or phoning the contact centre, placing a greater cost burden on the business than if they had just called in the first place. Clearly the pressure placed on businesses as a whole and the phone channel in particular in 2020 does not help, but this chart shows that email response rates have shown little improvement for many years.

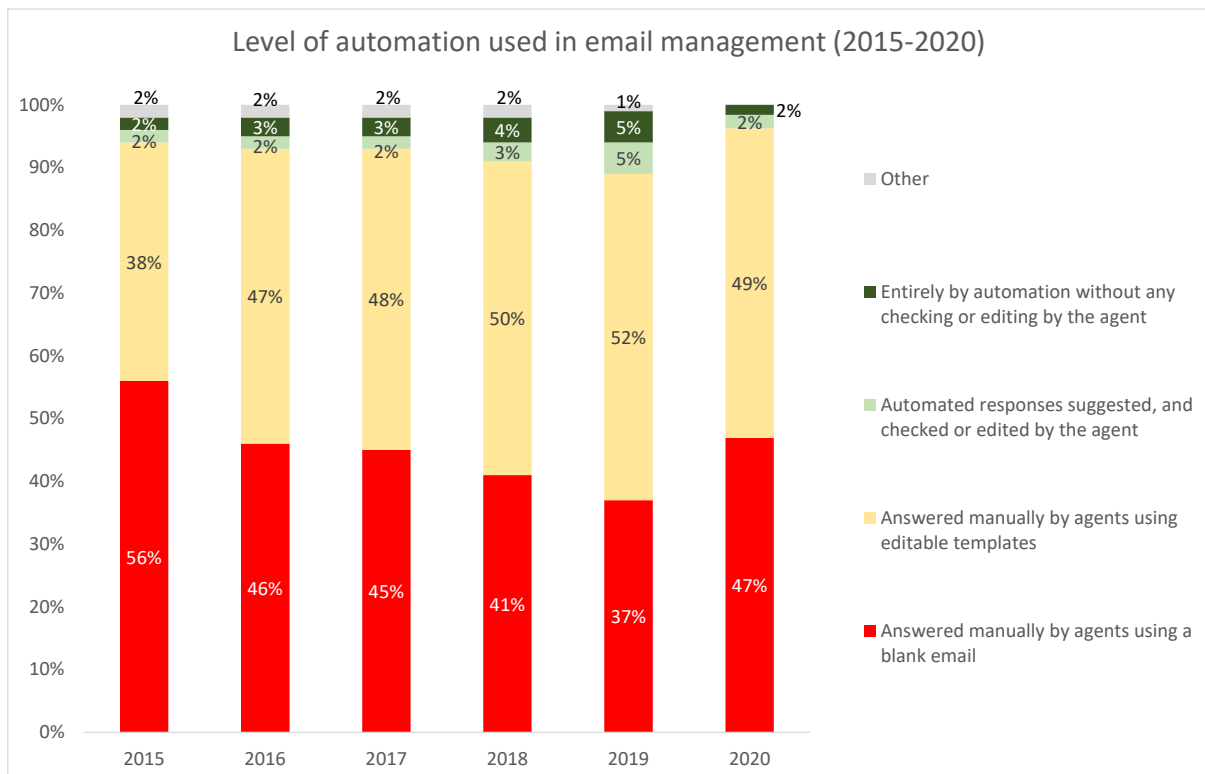
Figure 5: What proportion of emails are answered successfully and completely within these timescales? (2009-20)



The most popular methods of answering inbound email are to use agents, rather than rely on automation. Around half of emails are answered by agents who start with templatised, editable responses and change them accordingly, thus not having to compose every email from scratch, but also being able to draw from a common pool of knowledge. Starting with a blank email and letting agents complete it themselves is not only likely to take longer, but also leads to an increased risk of poor grammar, spelling and punctuation, as well as a less consistent response.

Only 4% of emails have automated responses, (these statistics do not include simple automated acknowledgements), and of those, half are checked by agents before sending.

Figure 6: Level of automation used in email management (2015-2020)

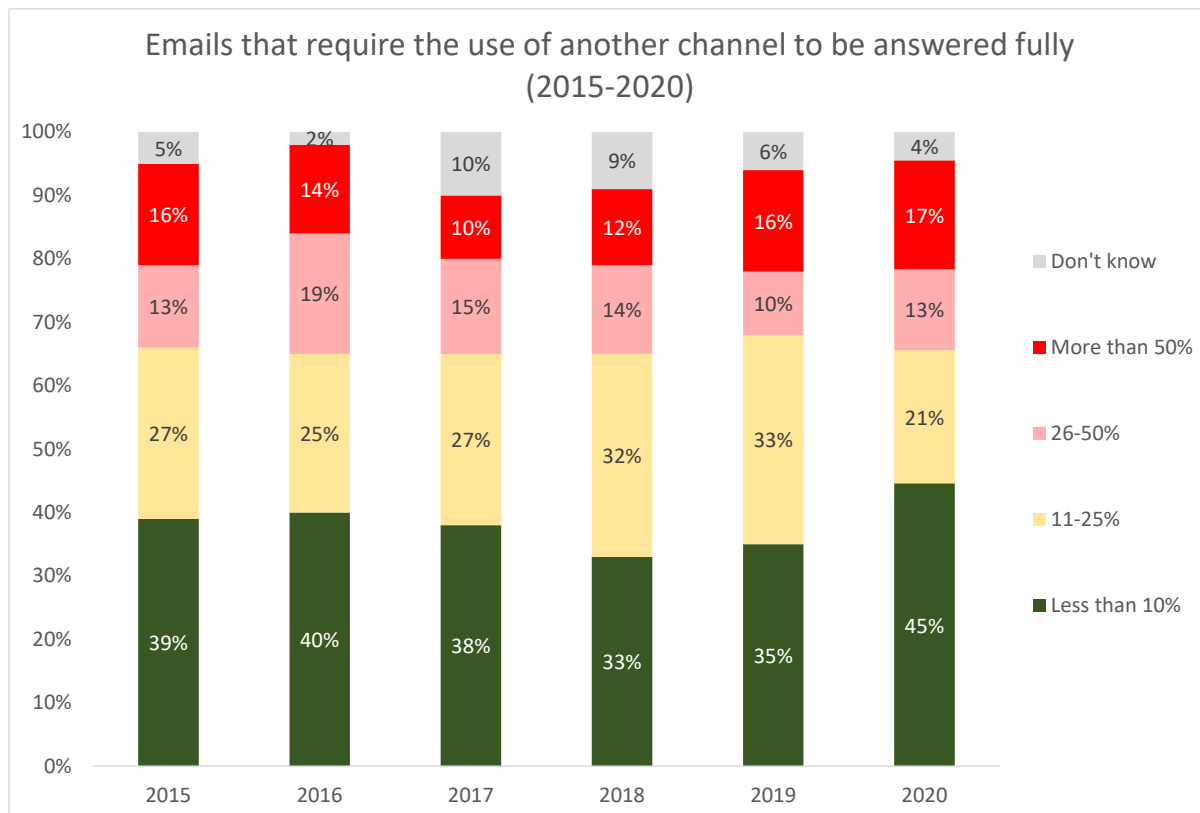


Respondents state that around half of their inbound emails are queries about products or services that have already been bought, with only 1 in 6 being from prospective new customers, who have queries about products or services which they are considering buying.

Complaints represent around 15% of inbound email traffic for our respondents, compared to the telephony figure which is usually below 10%.

Respondents were asked to estimate the proportion of emails that required the use of another channel to be answered fully. 45% of respondents stated that fewer than 10% of their emails could be answered fully without recourse to alternative channels – an improvement on past years’ results – with 17% stating that more than half of their emails needed supplementary channel assistance.

Figure 7: Emails that require the use of another channel to be answered fully (2015-2020)

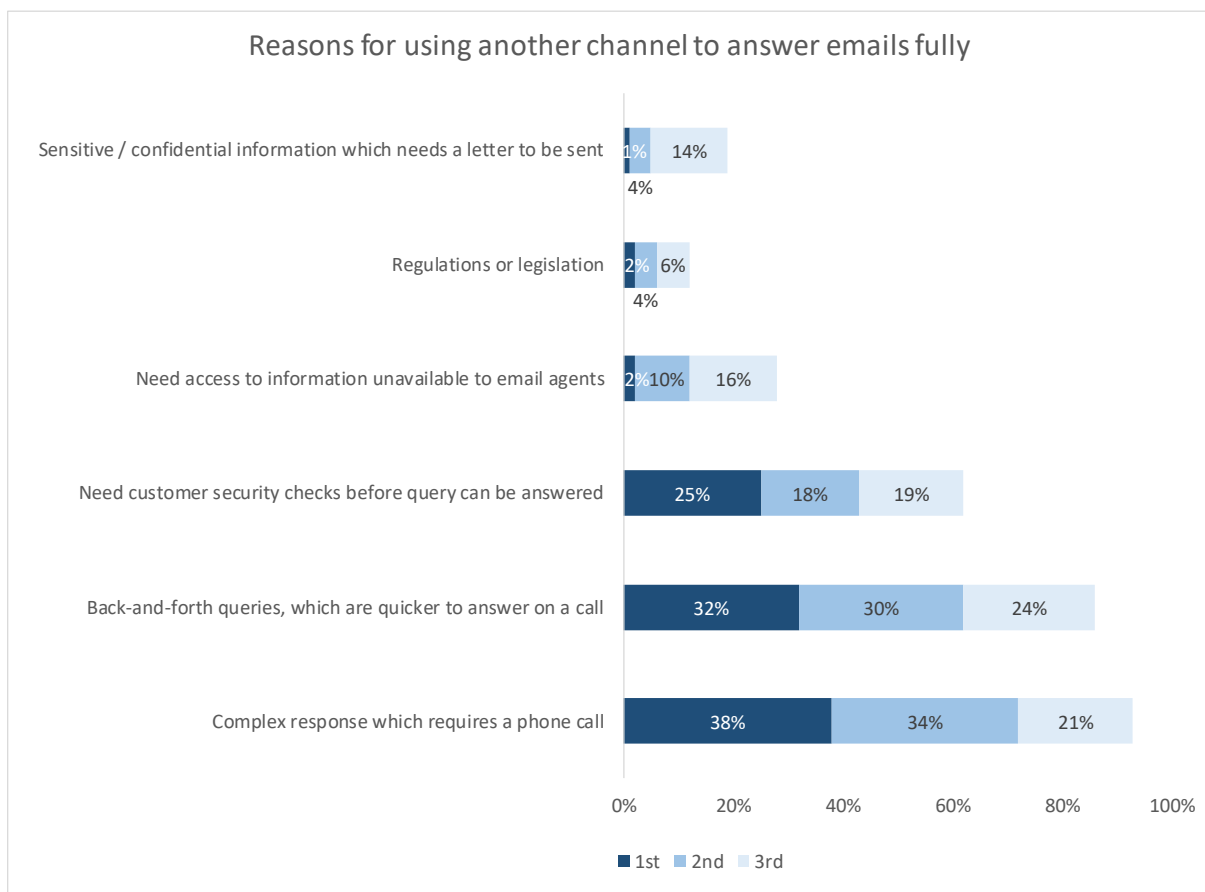


Respondents that indicated that a proportion of their emails require the use of another channel to be answered fully were asked to give the top three reasons causing this.

Two interlinked responses came out clearly ahead: the multiple, back-and-forth nature of the queries are quicker to answer on a call; and that complex issues are better handled with a phone call rather than an email.

The ability to take customer through security checks more easily in a different channel was also considered important (i.e. given a top 3 place) by 62% of respondents, and 28% considered that email agents do not always have access to the sources of information that they need to answer the question fully.

Figure 8: Reasons for using another channel to answer emails fully



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## MULTIMEDIA BLENDING

There is no general agreement within the industry on how best to deal with email, although there are genuine reasons to encourage email/voice blending. On one side, there is a case made that letting agents answer email makes the job more interesting for them, lowering attrition and improving skills. The other side to this says that the skills required by email agents are different from voice agents, and that it is difficult to find the agents to do both jobs. Both sides make sense logically, and historically, of those contact centres which use voice/email blending, only around 1 in 5 have experienced problems finding the right staff for these types of role, a figure that decreased each year that it was surveyed.

The great majority of respondents in most sectors allow at least some of their agents to carry out both email and telephony. However, email requires certain skills, including grammar and punctuation, which not every agent has, even with assistance from an email management system's response template.

On average, 72% of agents in a blended multimedia environment are allowed to do both email and voice work, a figure which had been growing year-on-year, but which has steadied recently.

Those in small and medium operations are much more likely to use the same agents to handle email and telephony, probably because there is not the option to have the specialised teams found in large contact centres, which are much more likely to have a dedicated group handling email.

Simply because a contact centre uses the same agents for email and voice does not mean that all operations use the same level of multimedia blending. For some operations, multimedia blending is a strategic decision which has been invested in with the right levels of technology and training being provided. For others, it is a necessity, with agents encouraged to answer emails in slack call times. Small and medium operations - which in the past may not have had sufficient email volumes or the investment available to formalise the blending by forming a universal queue to deal with all types of interaction - are now as likely to use a universal queue as the ad hoc method. Many larger contact centres prefer to use dedicated email groups.

However, this preference of many larger contact centres to form specialised multimedia groups may not provide the same levels of service. Previous years' data indicated a formalised blending environment, such as a universal queue, has a beneficial effect on email response times. Respondents using a formal blended environment reported that twice as many emails were successfully handled within an hour, although the proportion being dealt with in the same working day were fairly similar, regardless of whether formal blending, ad-hoc distribution of work, or dedicated email teams were used.

# Evolution of the Contact Centre study raises important questions for contact centres



“ I think we’ve provided our people with a level of security and stability that the world hasn’t given them. ”

Steven Lee, Director Business Operations, EMEA, LEGO Group

Following the first COVID-19 lockdown, the CCMA supported by Puzzel conducted a study that lifted the lid on how contact centres were responding to the pandemic and uncovered a number of important trends that will influence the future.

Our second wave of research builds on our initial findings, exploring how contact centres are responding to the latest challenges across the industry. It raises five important questions all contact centre leaders should be asking as they prepare for 2021.

Part 2: Evolution of the Contact Centre reveals contact centre leaders up and down the nation are busy ensuring near-term operational success in light of sustained increased demand. They are also working against longer-term goals: building skills and career opportunities for their teams and strengthening the role that their contact centres play within their businesses by forging closer links with other functions and acting as the voice of the customer within their organisation.

This report has been designed to inform your own thinking as you plan for the short and the long term.

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Jonathan Cowie  
Vivid Homes



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## WEB CHAT

Most web chat (or instant messaging / IM) sessions act by offering a live assistance option to the process of web browsing. Like email, it has been around for many years, but only very recently has started to grow volumes to the extent where it has become a mainstream channel for customer-business interactions.

Web chat offers an organisation a chance to cut costs through running more than one chat session at a time with customers, using the time that a customer spends reading and replying to an agent's response to deal with other customers concurrently. Some solution providers have stated that an agent can deal with 4 or more web chat sessions at the same time, but whether this is a sustainable model for the agent or provides an acceptable quality of service for the customer is quite another question. Agents can respond to frequently-asked questions by using 'hot-keys', which provide templatised answers and can escalate queries if required, but current levels of automation are low.

Web chat has often been used as a 'point of crisis' channel, for example, to convert an online shopping basket into a sale by providing timely service, or if a browser is paused on a webpage too long, perhaps as they can't find what they are looking for. In such cases, there are two main benefits to the business in providing web chat: revenue maximisation, and the avoidance of unnecessary calls.

Web chat can also act as a safety net for the customer if an online self-service attempt fails. An analogy can be made with voice self-service, where a failed session is often ended with the customer 'zeroing-out' - pressing zero to get in touch with an agent. Failed web self-service sessions may end with a phone call being made, but web chat can avoid a number of these, which is a cost saving for the business, and better for the customer as well.

Many customers – and not just the younger generation - are often accomplished Instant Messengers, and will be keen to use the web chat option with the businesses they work with. However, web chat is in reality most useful for general information and sales purposes, as many users aren't taken through security processes, meaning the agent can't help with specific account queries; the same usually applying to email. Putting some form of trusted biometric device on a PC or mobile device (such as a thumbprint reader) which then assures the businesses' system of the user's identity could possibly overcome this issue. Alternatively, and more simply, there doesn't seem to be any reason why the web chat agent can't ask the standard security questions to the customer via chat, but this is rarely done today, perhaps as some customers are wary of giving out personal details online.

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## VIRTUAL AGENTS

One form of value-added web chat functionality is a Virtual Agent, which may appear to a browsing website visitor to be a human agent, offering web chat. However, it is an automated piece of software which looks at keywords and attempts to answer the customer's request based on these, including sending relevant links, directing them to the correct part of the website or accessing the correct part of the knowledge base. If the virtual agent cannot answer the request successfully, it may then seamlessly route the interaction to a live web chat agent who will take over. It is possible that the browser will not even realise that any switch has been made between automated and live agent, particularly if the web chat application is sophisticated enough to pass the context and the history to the agent, although some businesses believe it is best practice to identify clearly between virtual and real agents.

Most virtual agents encourage the visitor to engage with them using natural language, rather than keywords. The virtual agent will parse, analyse and search for the answer which is deemed to be most suitable, returning this to the customer instantly. Many virtual agent applications will allow customers to give all sorts of information in any order, and either work with what it has been given, or ask the user for more detail about what they actually meant. Having been unconsciously trained over the years to provide their queries in a way which standard search functionality is more likely to be able to handle (for example, a couple of quite specific keywords), customers must be encouraged and educated to use natural language queries in order for virtual agents to be able to deliver to their full potential.

The virtual agent application is different from standard search functionality, ignoring bad punctuation or grammar, and using longer phrases rather than just searching on keywords. Sophisticated applications attempt to look for the actual intent behind the customer's question, trying to deliver a single correct answer (or at least a relatively small number of possible answers), rather than a list of dozens of potential answers contained in documents which may happen to contain some of the keywords that the customer has used. The virtual agent application may also try to exceed its brief by providing a list of related questions and answers to the original question, as it is well known that one question can lead to another. Solution providers and users train the system to pattern-match the right words or association of words with the correct result: the application, unlike older forms of web search techniques, does not simply guess what the customer wants, or how they will express themselves. Through 'listening' to what the customers actually say - perhaps through a mixture of large quantities of audio and text - the initial set-up configuration can achieve a good accuracy rate, which really benefits over time as a positive feedback loop is established. Solutions that gather and differentiate customer requests and results from multiple channels, noting the difference between them, have an even better success rate.

Virtual agent functionality 'understands' the context of what the customer is asking, with the result being more akin to that of an empathetic human who also has had access to what the customer has been trying to do. For example, if asked "When can I expect my delivery?", the context and the required answer will be different depending on whether the customer has placed an order and is enquiring about its status, or has only a hypothetical interest in turnaround times in case they decide to place an order.



**Proactive and reactive chat:** originally, web chat was reactive, relying upon the browser to initiate a conversation. Businesses then decided to go on the offensive, popping up chat boxes and encouraging customers to start conversations. Some more sophisticated customers are unfazed by this, but overly-insistent use of web chat can put some customers off entirely.

There are various levels of intelligence that can be used to support proactive chat more effectively. If the customer has logged in, it is possible to identify them, and take into account past channel preferences, purchase history and other relevant information in order to personalise the experience, (for example including details of relevant offers to that customer).

As an aside, some contact centres report that those experienced in playing online games - are particularly suited to the fast-paced, text-oriented nature of web chat, and some businesses are actively recruiting such people to work as web chat agents. It is also worth commenting that although offshore customer contact has received a mixed press, many of the negative issues surrounding offshore are not applicable to the multimedia channel, such as the possible mutual incomprehensibility of accents.

Web chat is experiencing strong growth in its availability in the UK, although volumes on average are still only around 4-5% of all customer/business interactions. There is no reason why the user uptake of web chat will not continue: it works well for customers as providing an immediate response, and with multiple concurrent chat sessions per agent, it can be a lower cost channel than voice for the business to support, although cost differential between phone and web chat are not dramatically different, as so much of the web chat work carried out is still non-automated. Solution providers report that web chat is currently being trialled by numerous businesses, often at a limited, or departmental level so they can assess the suitability of the channel for a company-wide rollout, and understand what needs to be done to ensure full implementation is a success.

The mean average cost of a web chat is stated this year to be less than a phone call (£4.55) and also than an email (£4.10), and we are starting to see a greater differential from a channel that can be at least partially automated, and which offers the opportunity for multiple concurrent sessions.

Figure 9: Estimated cost per web chat

Web chat cost	
Mean	£2.56
1st quartile	£3.12
Median	£2.00
3rd quartile	£1.10

40% of respondents using web chat offer the option immediately to all website visitors, with 60% only doing so at some specifically-triggered point in the interaction.

Of these 60%, the most frequently used trigger for web chat was when a visitor went to a specific page, with other triggers being when a customer was on a page for a certain amount of time, and at the point of sale, although these latter options are much less frequent.

When considering how web chats are handled, respondents from larger contact centres are more likely have dedicated chat-only agents, rather than taking phone agents out of the queue to handle web chats on an ad-hoc basis, probably because chat volumes are more predictable in high-volume businesses. Multi-channel text agents (e.g. handling social media or email too) are popular in small and medium respondents' contact centres. Small operations are more likely to be using a single multichannel queue that also includes handling calls.

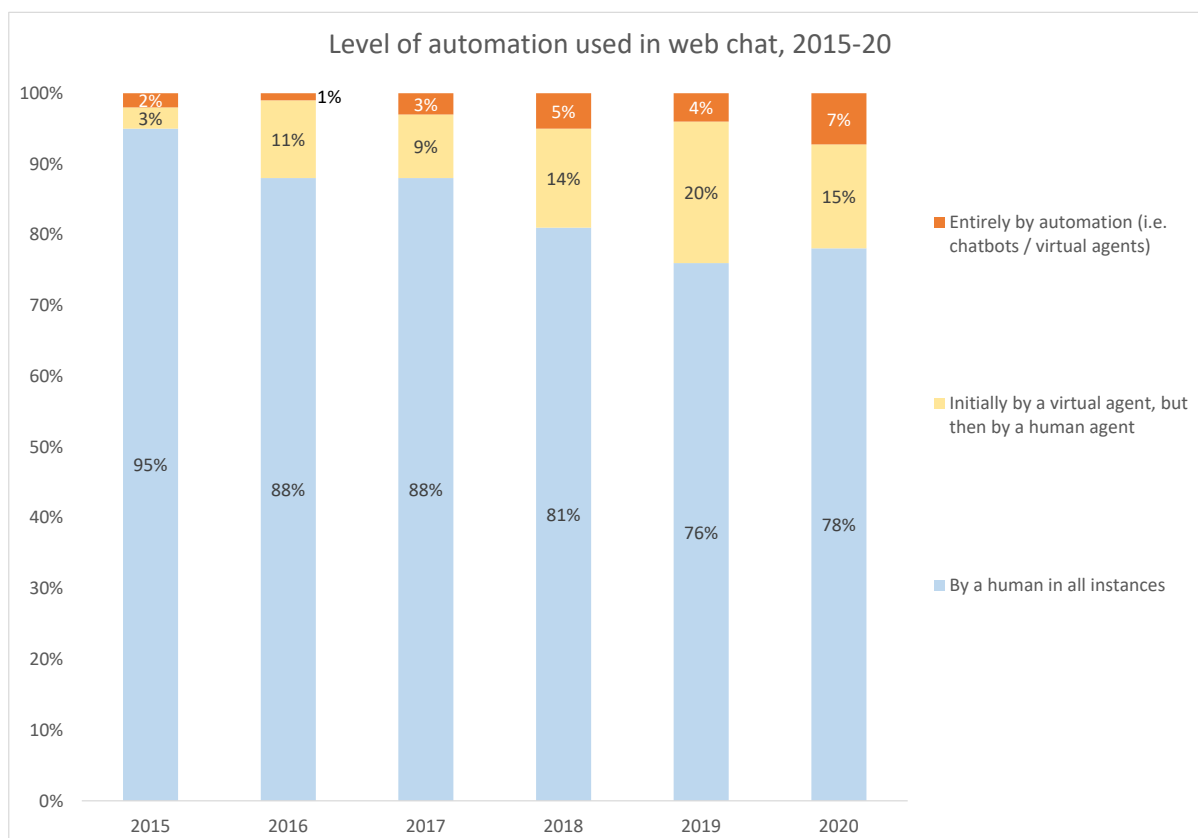
One of web chat's traditional strengths is seen as the ability to have agents handle multiple chats concurrently (of course, it only seems this way to a customer, as the web chat agent uses the time that the customer is typing their response to handle other chats). Some vendors have stated in the past that agents could run five or six concurrent chat sessions: the reality seems to be that two sessions is a reasonably consistent average, with a peak of three or even four if required, but which is not possible on a long-term basis.

Most respondents indicated that web chats are mainly carried out with existing customers, which fits in with previous findings that sales operations are less likely to be using web chat. This finding is further supported by the nature of most web chat: around half of respondents state that their web chats are very much focused on servicing existing products and services, with only 1 in 6 respondents stating that web chat is used far more for sales queries than service requests. The remainder of respondents have a roughly similar mixture of both sales and service.

As the cost of web chat is not dissimilar to other channels such as email, voice and social media, there is still considerable room for increasing efficiencies and lowering costs.

Whereas only 5% of web chats had any automation involved in 2015, this has grown to 24% in 2019, mainly as a result of initial handling by automated chatbots which may then hand off to live agents where appropriate. This figure has dropped slightly to 22% in 2020, but the proportion of chats being handled entirely by AI / chatbots has risen from 4% to 7% over the past 12 months, meaning substantially lower costs.

Figure 10: Level of automation used in web chat, 2015-20

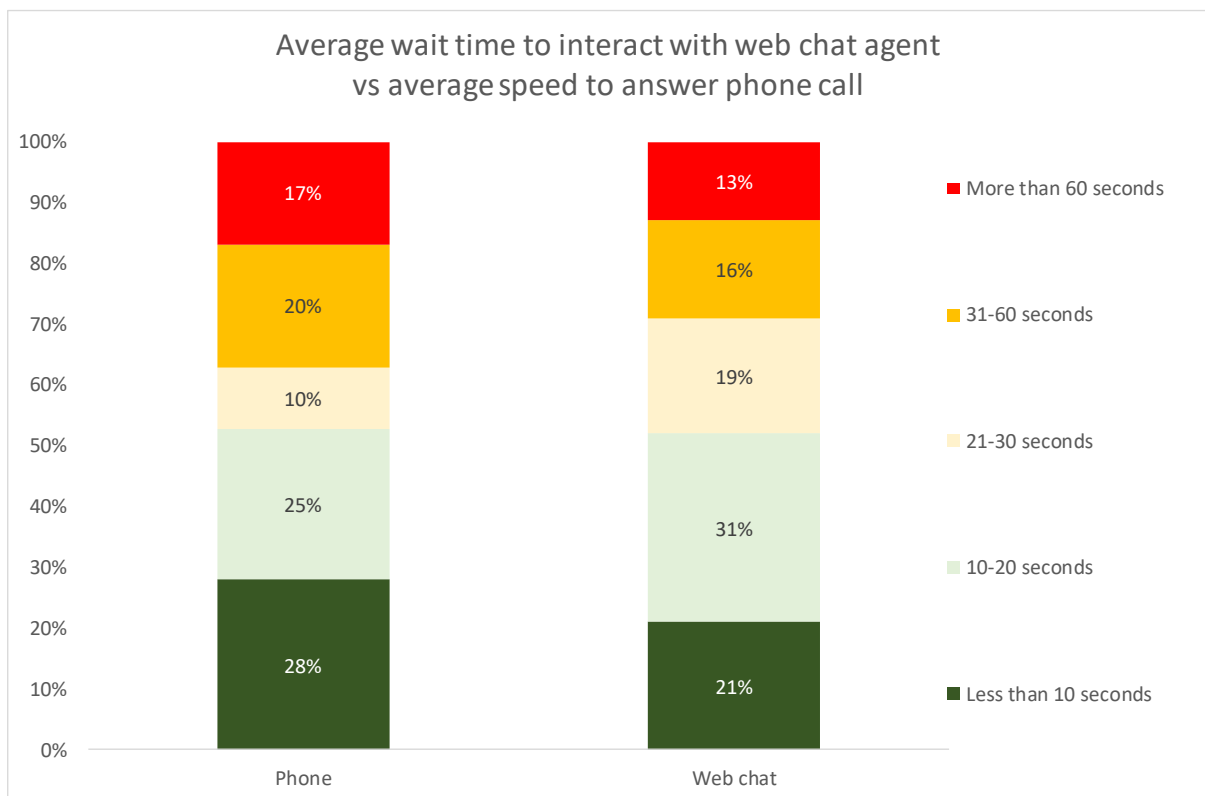


Respondents indicate that the typical wait for a web chat session is usually a little less than that of a phone call.

21% of respondents have an average wait time for web chat of lower than 10 seconds, with a further 31% stating that the average wait time is 10-20 seconds. Maintaining this level of accessibility for customers will reinforce their positive experiences of web chat, and will encourage customers to keep using the channel, not only when contacting a specific business, but also in general.

Little research has yet been carried out into the expectations of customers around web chat service levels, but it is reasonable to expect a channel being presented as an alternative to phone to have similar service level expectations and reality. If only 13% of web chats take longer than 1 minute to initiate, then we can expect customers to flock to this channel enthusiastically, as these service levels are generally superior to that of voice.

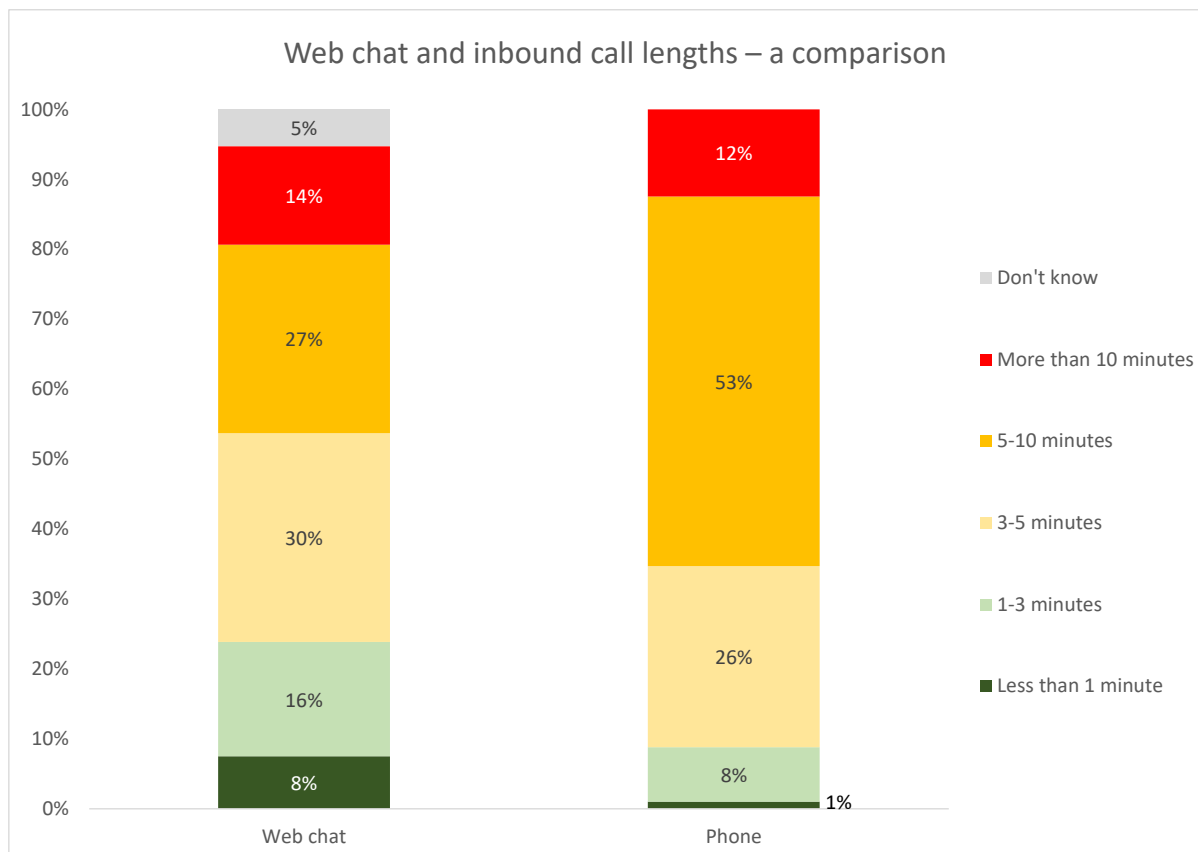
Figure 11: Average wait time to interact with web chat agent vs average speed to answer phone call



Further comparing the experience of web chats with telephone calls, the survey finds that 41% of web chats take longer than 5 minutes to complete fully, compared to 65% of phone calls. While agent multi-tasking and the time taken to type differs from the experience of handling a phone call, web chat is still often a shorter experience for many customers.

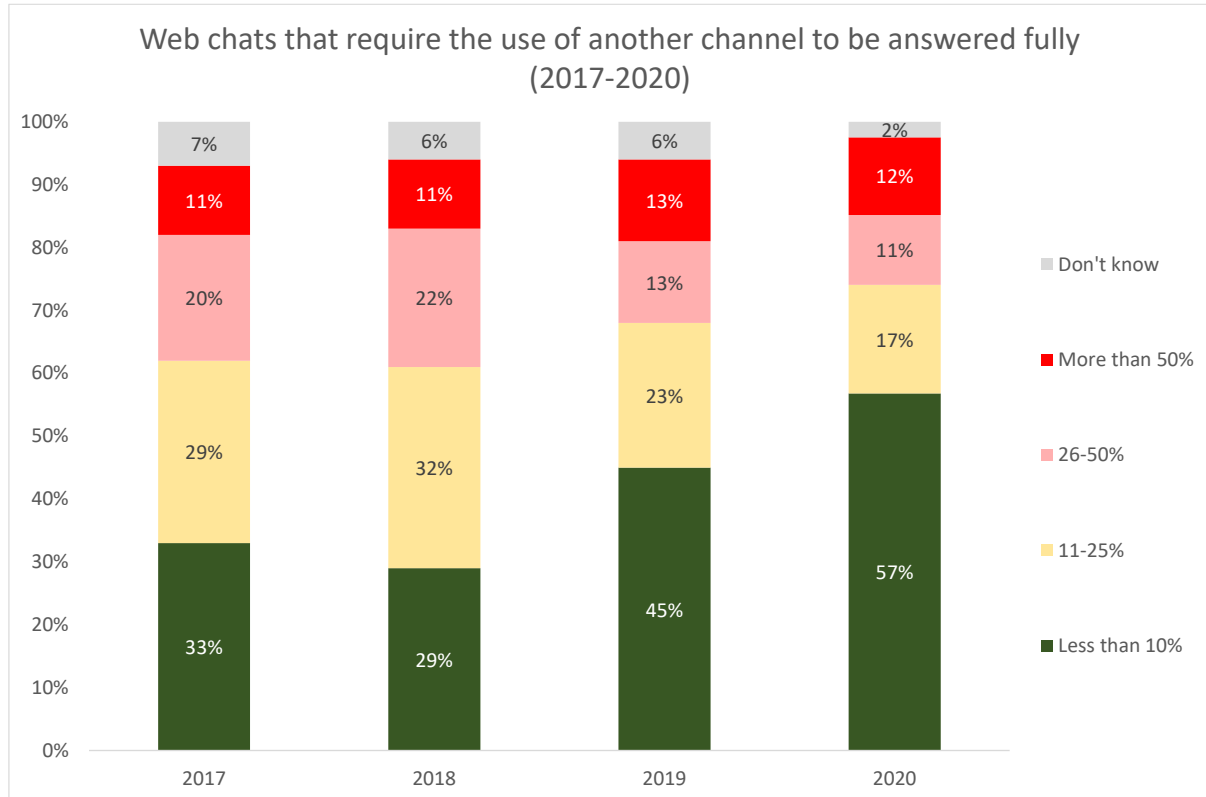
This may well be because the subjects of web chats will tend to be simple, whereas telephony is increasingly being used for more complex and multiple queries.

Figure 12: Web chat and inbound call lengths – a comparison



57% of respondents report that fewer than 10% of web chats require another channel to answer the query fully, with only 12% stating that more than half of web chats require movement to another channel. This supports the suggestion that web chats are being used for simpler interaction types.

Figure 13: Web chats that require the use of another channel to be answered fully (2017-2020)



### Tips for using chat and cobrowsing successfully

Understand the role that you want web chat to have within the customer contact mix. Do you see it as a replacement for email? Or is it more of a call avoidance strategy? Or is it perhaps a way to close the sale? Without understanding this, it'll be difficult to measure its success. Some businesses will offer web chat and cobrowsing only to their premium customers, or to those who are in the final stages of purchasing but who have stalled.

Choose the most suitable metrics for what you're trying to achieve. If web chat is about revenue, then perhaps focus on sales conversion rates, rather than average handle time, in order to encourage agents to make the most of cross-selling and up-selling opportunities.

Some customers may use web chat as an initial method to ask tentatively about products and services. The solution should provide the option to continue the conversation via a phone, or to send relevant documents and videos.

Work with the solution provider to determine what a reasonable and realistic number of concurrent web chat sessions might be. While it is theoretically possible for an agent to cope with four or more conversations at once, the reality is that this is unsustainable over long periods or with complex issues. It is far more realistic to expect a well-trained agent to deal with perhaps two or three conversations concurrently, and this should be fed into your workforce planning system. However, it may be that agents who deal with both telephony and web chat find it too difficult to deal with multiple chat sessions as well, and will deal with only one chat at a time.

As with any real-time interaction channel, monitoring traffic is vital to success. Plans need to be made to handle web chat spikes and providing estimated wait times to those in a web chat queue will allow them to choose a self-service, phone or email option instead.

Plan how web chat will integrate with existing customer service channels. It is possible to run web chat as an entirely separate, siloed channel, but customers expect to be able to move between channels seamlessly. Being able to treat web chat interactions in the same way as other communication channels means that resources can be spread across channels as and when needed.

Sophisticated web chat solutions allow for 3-way chat, so that an agent can bring subject experts into the conversation as required.

Consider using a trial, in a discrete department, product or service area. This will allow you to understand what works and what doesn't, in a relatively low-risk environment. Changing a small number of variables will also provide a more accurate understanding of how web chat affects customer service levels, customer satisfaction and revenue. It will also provide information about the types of customer and queries that web chat is likely to be used by and for.

Make customers aware that you're offering web chat, by promoting it through existing, higher-cost channels such as within the telephone queue's recorded announcement.

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## BEYOND WEB CHAT

While web chat is an increasingly popular channel to offer to customers, the current reality is that it is being used as a direct replacement for live telephone calls, with very limited use of automation or value-added features. Although customers are increasingly comfortable with initiating chat sessions, the visual nature of this channel and the increasing use of smartphones means that opportunities exist for businesses to leverage customers' increasing acceptance of web-based communication to provide deep functionality, a richer customer experience and improve their own profitability.

**Co-browsing (or web collaboration)**, which sometimes includes form-filling and page-pushing as a sub-set of functionality, is a very intensive, one-to-one channel, formerly used for high-value customers or in those cases where it is quicker and more effective for an agent to take over the reins than to talk the customer through the process. While it has been useful for certain businesses, processes and customers, it is difficult to make a case for it on a cost-saving basis alone, although it will encourage the completion rate of sales, and as such, improve profitability.

Co-browsing may be used to help customers fill out forms, or to complete online transactions, and may be done in conjunction with a concurrent telephone call or web chat. Unlike page-pushing - which is a one-way movement of information from agent to customer - and screen sharing - where the agent takes control of the customer's desktop - co-browsing is a true two-way collaboration tool. Either the agent or the customer can control the cursor or enter data into fields, and business rules can be set up so that the agent does not see or enter sensitive information.

While it is not a cheap option, cobrowsing, particularly in association with a telephone call or web chat, can be an effective way of closing a high-value sale. It is, however, currently used in few UK organisations.

**WebRTC or Web Real Time Communications** is an API definition that supports browser-to-browser applications for voice calling, video chat, and P2P file sharing without the need of either internal or external plugins<sup>1</sup>.

It allows customers to start a video or voice call from the web browser (which may be via a desktop computer or smartphone, perhaps as an escalation from an existing web chat session), which means the organisation's website can then offer video or voice contact centre functionality in a seamless manner, with customers able to request live communication with the business without the need to download specific software or seek out the phone number and break off from what they are doing on the website. Two-way video communication is likely to be of more interest to mobile users, as their smartphone device already comes enabled with a camera and microphone, unlike many desktop computers which may not have this functionality or whose users have it disabled. One-way video, to protect users' privacy, is perhaps a more likely option in many instances.

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<sup>1</sup> <https://en.wikipedia.org/wiki/WebRTC>



## Natural Language Processing

While some knowledge base solution providers state that 80% of questions can be answered by 20% of content, it is each business's decision to decide how the remaining 20% of queries will be handled (but of course, even these 20% of documents will change over time as customers' requirements and the businesses' products will not stay static). Some will consider that this is a reasonable proportion to be handled by more traditional means, such as the contact centre, whereas others will leverage expert internal resource, as well as customer communities and forums to fill these knowledge gaps. It is not just the publishing of information that is vital: it is feedback on its accuracy and success from the wider user community and any automated systems which will help the business to fine-tune the knowledge base. Processes to gather this feedback should be put in place, and continually revisited to check their effectiveness, and it is possible to add successful answers to the knowledge base very quickly if a response from an agent (for example, via email or web chat) has been marked to be successful.

In all cases however, one of the keys to successful knowledge management is continually monitoring, updating and publishing the most accurate and in-demand information. Businesses should consider setting internal service levels for the knowledge base, for example only returning documents and suggested answers that have over a specific score for relevancy, and no more than a small number of answers per enquiry. If customers are trained to expect a self-service or virtual agent experience that returns pages and pages of documents that bear little relevance to their original query, they will very soon abandon self-service entirely. It is also vital that the information contained in the knowledge base is available consistently across all channels, whether through a virtual agent or human agent.

One of the keys to successful automated service, with a via telephony or website, is for the user to be able to describe their issue in their own words, rather than feeling that they have to use specific terms or a stilted, incomplete account of the issue. Natural language processing-based systems encourage users to describe their issue more fully, asking follow-up questions if there is any degree of ambiguity in the initial request. One of the obstacles to overcome for NLP-based systems (whether through speech recognition or text recognition) is that many Internet users have been trained to use keywords, believing that simplifying the description of their issue will lead to greater levels of accurate response. In fact, NLP works best with longer and more detailed requests, and it is a challenge for businesses and solution providers to encourage and support users of the system in using the solution in an optimal way.

Many current self-service systems are inflexible and structured rigidly in their information flow, so as to handle simple, unambiguous service requests by customers (such as account balances). Generally speaking, these are very successful at delivering this information, and customers will often choose a familiar and effective method of handling the simplest enquiries. However, historical interaction volume information shows that the number of live calls received by contact centre remains steady: although the contact centre is the primary channel choice for only 12% of customers, two-thirds of interactions with the business still come via live telephony. This suggests that the various methods of using self-service and the supporting knowledge base still have a very long way to go before customers rate them as highly for effectiveness and timeliness as they do the traditional contact centre.

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New channels such as social media, email and web chat have grown rapidly in popularity, yet the vast majority of interactions involving all of these channels are still along same lines as the traditional contact centre telephony model: that is, a customer making a request to a live agent. Although web chats and emails tend to have slightly lower costs than telephone calls, the differential between these is far smaller than between a live phone call and a self-service phone call. Of course, not only are businesses missing out on huge potential cost savings, but one of the main customer experience problems still exist: that of having to wait until an agent is available to answer the query.

Expanding the boundaries of self-service outside the simplest and least ambiguous requests will be one of the main challenges over the next few years. Success in this will mean not only greatly reduced costs for businesses, but also improved customer experience through higher real first-contact resolution rates through the customer's channel of choice.

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## THE SOCIAL CUSTOMER

The rise of social media as a customer service channel has often been de facto, in that customers have actively sought out the company's Facebook page or Twitter account to communicate with it, even if the company originally had a social media presence only to disseminate information. For foreseeable future, ContactBabel expects social media to remain a relatively minor channel in terms of overall number of interactions compared to telephony, but one with the potential to be strongly negative - to punch well above its weight - and many senior executives within most companies are treating the channel with a great deal of respect.

Despite the relatively low levels of customer interactions via social media, the high-profile nature of this channel and the possible magnifying effects of negative comments means that social media is viewed as being far more important than baseline interaction statistics would suggest. Some savvy customers, knowing that their public complaint or issue will be dealt with quickly, prefer to go straight to a social media channel rather than wait in a telephone queue. Others might choose the social channel after they've had a bad experience on another channel, such as waiting on hold for a phone agent.

Uniquely, social media has taken off as a customer service channel as a result of customer demand, rather than businesses' enthusiasm for promoting a cheaper service channel. The following chart shows how channels fit customers' needs, and we can see that social media for some customers can provide a very positive experience with a very low pain point, and at virtually no cost of time or money: the customer complains, loudly and in public, so the business reacts quickly and effectively. For the customer, this is great: it is the business for whom the popular methods of social media handling are not optimal: not only do they have to carry out their business in public, reacting quickly and without being able to authenticate the customer's identity, but they often cannot handle the query without resorting to another channel such as phone or email, which provide more privacy and functionality. In such cases, they are not even seen by the outside world to be reacting quickly and effectively, or to have solved the problem. Both customers and companies are finding out what works with social media and what does not. Crucially, as with any channel, success will only come when a channel delivers a successful experience for both sides of the equation.

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## SOCIAL MEDIA MANAGEMENT AND USE

Most respondents report that social media is now handled by an in-house team based inside the contact centre. 30% report that it is handled by internal marketing, PR or corporate communications, with 15% letting an outsourcer or agency handle it. This change implies that social media is being viewed and treated as more as part of a wider omnichannel strategy, rather than as a standalone channel.

35% of respondents reported that they have a dedicated social media team working within the contact centre (much less so in smaller operations), and 18% have a dedicated multichannel team working within the contact centre location but which does not answer telephone calls.

When considering the management of social media by contact centre size, larger operations are far more likely to have a team within the contact centre – whether dedicated to this activity, or as part of a multichannel strategy. Small and medium operations are more likely rely upon a non-contact centre-based corporate team to handle their social media.

Despite respondents' opinions that social media was generally not the best channel for unhappy customers to use to make a complaint, a large majority of respondents that offer social media as a customer service channel consider it to be extremely useful for acting directly on negative comments and complaints picked up from customers.

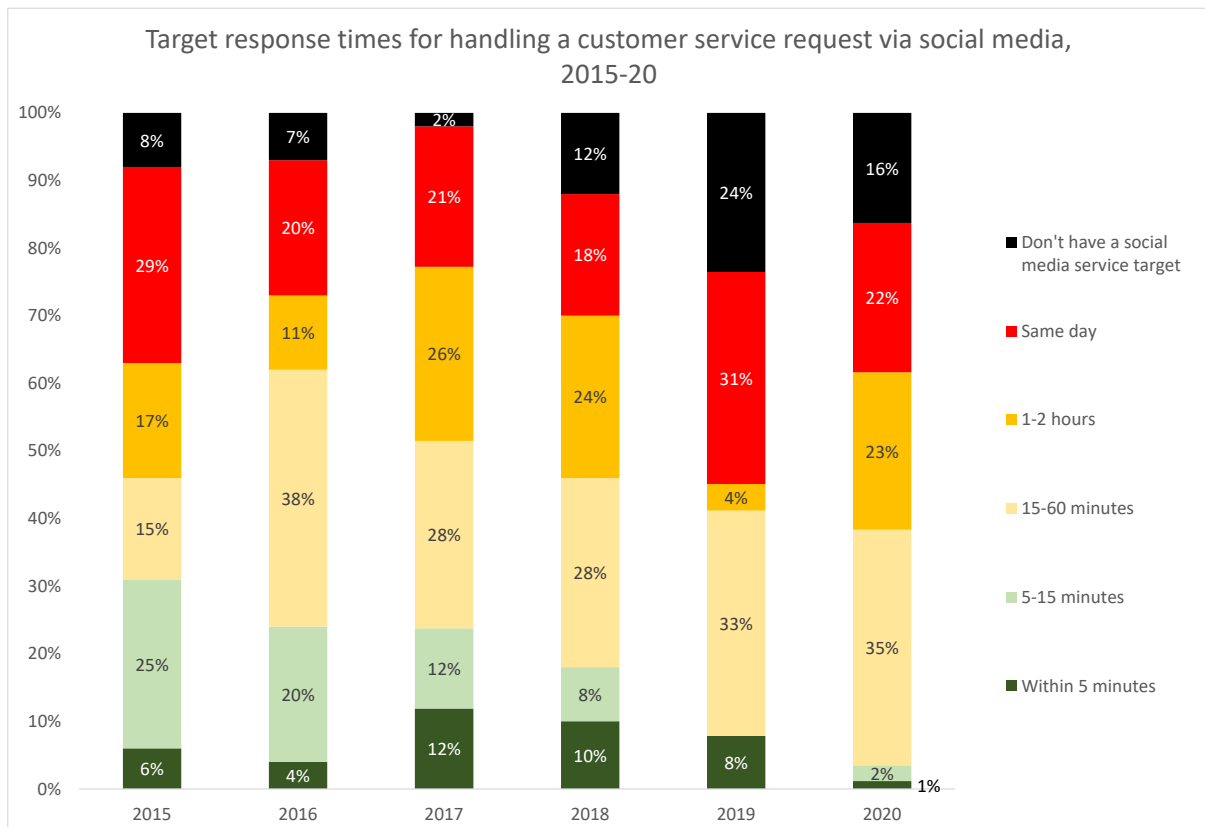
Earlier in the report, respondents stated that call recording and speech analytics were not felt to be supporting the business to learn more about its competitors, and there is little sense that social media is providing this information either. It may be that businesses are focusing their efforts upon learning what their customers are saying about their own products and services, rather than worrying too much about the competition, but all of these solutions offer opportunities for competitive advantage.

There is some debate about the best way to handle social media inquiries. While it is possible for requests via social media to be analysed (often by keyword spotting), prioritised and then routed to the agent team most capable of dealing with these specific inquiries, it is not just the same as a phone call or web chat. Some customers can expect an almost instantaneous response, with the attendant pressure that such a service level places upon the organisation, but this is generally unfeasible.

Target response times for handling a social media customer service request are somewhere between a phone call / web chat on the one hand (i.e. a maximum of a few minutes), and an email on the other (i.e. the same working day).

38% of respondents try to answer within the hour, but 45% state that they will probably take longer than an hour but less than a day. 16% of this year’s respondents do not have a service level target at all.

Figure 14: Target response times for handling a customer service request via social media, 2015-20



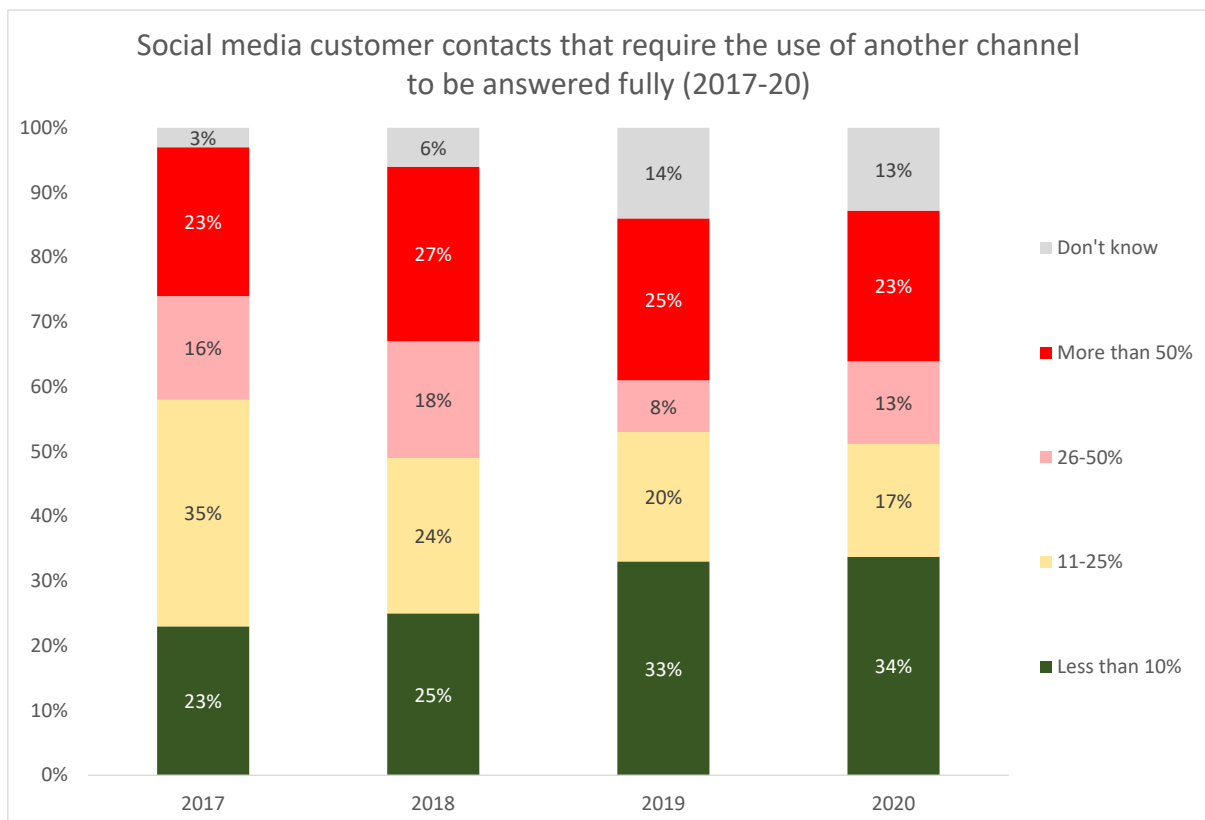
A social media interaction is a little less expensive than a web chat, although there is little to choose between them.

Figure 15: Estimated cost per social media customer contact

Social media customer contact cost	
Mean	£2.37
1st quartile	£3.80
Median	£2.40
3rd quartile	£1.20

23% of respondents state that more than half of their social media requests have to be completed via another channel, perhaps because of the public nature of the channel, and that customer identity verification is not as straightforward as with voice. This is somewhat higher than for web chat or email.

Figure 16: Social media customer contacts that require the use of another channel to be answered fully (2017-20)



### Tips on providing customer service via social media

- Despite the pressure that social media puts onto a business, younger generations express a preference for communicating with businesses in this way. They are also more likely to complain about problems on social media, so supporting a social media customer care plan is vital to winning and keeping this section of your customer base.
- Social media does not have to refer only to the likes of Twitter and Facebook. Customers are growing increasingly more sophisticated at seeking out help themselves, with many preferring to attempt to find their own solution via customer communities before contacting a business, although this can be a very hit-or-miss approach.
- Be aware that age has a particularly strong role in the choice of customer communication channels. Generally speaking, older generations will choose the phone as their primary channel, whereas younger customers will look at online channels first. Men are also far more likely than women to look for a self-service solution initially.
- 80% of customers trust recommendations from other customers. The downside to this, of course, is that customers will also take a negative criticism of a product or company very seriously.
- By keeping a Twitter feed or Facebook page up-to-date, an organisation can reduce inbound call traffic at a time when a particular issue is causing a spike of calls, for example, if bad weather threatens to close schools.
- Blending social media with other forms of customer communication can mean that agents get a more well-rounded view of what customers are actually thinking. Knowledge sharing between agents, especially where new information is put in a timely fashion into the knowledge base, will assist both agents and self-service customers.
- Just because the customer has initiated a social media interaction does not mean that a business has to stay on that channel to resolve it successfully. Customers may like to receive an outbound call from the agent, as this may provide the opportunity to go into further detail, and to resolve the issue entirely.

## ABOUT CONTACTBABEL

ContactBabel is the contact centre industry expert. If you have a question about how the industry works, or where it's heading, the chances are we have the answer.

The coverage provided by our massive and ongoing primary research projects is matched by our experience analysing the contact centre industry. We understand how technology, people and process best fit together, and how they will work collectively in the future.

We help the biggest and most successful vendors develop their contact centre strategies and talk to the right prospects. We have shown the UK government how the global contact centre industry will develop and change. We help contact centres compare themselves to their closest competitors so they can understand what they are doing well and what needs to improve.

If you have a question about your company's place in the contact centre industry, perhaps we can help you.

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