



Five9 Customer Service Index 2022 Business Decision Makers

Five9 Surveys Executives to Identify
Contact Center Challenges



Overview

Five9 is leading the charge to enhance customer experiences with the Five9 Intelligent Cloud Contact Center platform. The shift to digital engagement, including a variety of interaction channels, provides new opportunities for global enterprises to engage with customers consistently, regardless of location or device. Artificial intelligence (AI) technologies are no longer futuristic tools only for sophisticated and advanced contact centers—they're now part of the overall contact center arsenal, aiding agents, customers, and contact center operations.

The global pandemic has forced organizations of all sizes to evaluate their priorities when it comes to customer and employee experiences, placing new emphasis on employee loyalty and retention. Where customer experience was once the rallying cry for many, employee experience has come to the forefront as well.

This report highlights views of customer service and engagement from the executive suite. The results demonstrate that digital engagement is now mainstream.



Five9 Is the Leading Provider of Cloud Contact Center Software

To understand the current state of customer service, Five9 partnered with Zogby Analytics to survey business decision makers (BDMs) to get their perspective about the state of customer service and support. This index is designed to help navigate the rapid digital transformation that the entire business community is experiencing.

Now in its sixth year, the Customer Service Index provides data and insights to help you better meet your customers' changing needs and expectations. In addition to the United States and Canada, we've added European perspective from France, Germany, Italy, Spain, and the United Kingdom to identify regional differences.

This report highlights views of customer service and engagement from the executive suite. The results demonstrate that digital engagement is now mainstream.

Regardless of size or location, organizations are using technologies such as AI to assist agents and customers. Taking steps to provide AI-assisted omnichannel capabilities can enhance customer and employee experiences.

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Executive Summary

Consumer preferences for interacting with businesses for customer service are continually evolving. What was acceptable 10, 5, or even 2 years ago is no longer adequate. Identifying and recognizing these preferences is critical to compete in our increasingly digital world.

Zogby surveyed business decision makers in organizations with 250 or more employees to assess their views of the role of customer service in various business considerations. The survey targeted BDMs in industries including banking and financial services, business process outsourcing, business services, education, healthcare, retail, technology, telecommunications, and travel/transportation. Almost half of enterprises surveyed had revenue greater than \$1 billion and more than half had more than 2,500 employees. The largest number of companies were in financial services, IT, and retail/consumer. U.S. respondents represented almost half the participants, with the rest equally split between the other countries.

With an eye on the changes in the past two years and the workforce implications, the survey focused on four key areas:

- Changing customer service roles and types of interactions
- Digital and non-voice channels
- The role of AI in omnichannel experiences
- Factors impacting agent experience and contact center effectiveness

The role of customer service representatives has changed significantly over the past 24 months in both Europe and North America.

Key Findings & Survey Highlights

The role of customer service representatives has changed significantly over the past 24 months in both Europe and North America. Only 9% overall (13% North America, 5% Europe) report no change. More than half of respondents report that agents need emotional intelligence and empathy as issues are becoming increasingly complex (53%), plus the ability to support a variety of interaction channels (52%). (Figure 2.)

Nearly half (47%) of respondents report agent and employee retention as one of their primary challenges. Also at the top of the list are keeping agents and employees productive in a remote work environment (46%) and keeping up with new technologies (43%).

Channel Mix: The overwhelming majority of decision-makers report that their organizations provide omnichannel contact options. (A mere 5% globally support voice only.)

- Over a third (37%) provide fully integrated channels on a single platform, followed by multiple non-integrated channels (30%) and fully integrated channels from multiple vendors (28%).
- Organizations in Canada (47%) are most likely to provide fully integrated channels on a single platform.
- Those in Germany are most likely to provide multiple, non-integrated channels (46%).

Over the past two years, the mix of customer interactions has changed moderately (<10% increase) with a mix of voice, email, and messaging (45%) or substantially (>10% increase) with an increase in email, chat, and messaging as a percentage of interactions. Substantial changes in mix are highest in Italy (64%) and lowest in France (38%). When it comes to revenue differences, businesses with more than \$1B in annual revenue (49%) and those with \$250M–\$500M (38%) report substantial changes.



Shift from Voice to Digital: Approximately half of decision-makers report that more than 40% of their customer interactions take place via non-voice digital channels. The number is highest in France (68%) and lowest in Canada (35%) but expected to grow overall. More than two-thirds expect it to exceed 40% by 2024. Similarly, 69% of respondents also expect that more than 40% of customer support interactions will be fully self-handled by that year (Figure 9).

Volume Increase: An overwhelming majority of respondents (86%) report substantial (>10%) or moderate (<10%) increase in the volume of contact center interactions. Substantial increases are most common in Spain and France, with 59% of respondents in both countries reporting (Figure 1).

Agent Experience: Also, nearly all respondents (90%; 88% North America, 93% Europe) report that they're spending more time and attention focusing on agent/employee experience and engagement in the past year:

- 61% are consolidating all applications under a unified agent desktop
- 61% are providing access to subject matter experts outside the contact center

Providing AI for agent assistance is also common (47%), but adoption differs significantly by country: Italy is highest at 73%, Germany lowest at 27%.

Use of AI: Nearly three-fourths of contact centers currently use AI (73%; 67% North America, 80% Europe). Use is again highest in Italy (87%) while lowest in Canada at 63%. Of organizations not yet using AI, 39% plan to do so in the next 12 months (32% North America, 53% Europe).

The most common use cases are conversational AI for customer self-service (78%; 75% North America, 82%) and to assist agents during customer interactions (90%; 89% North America, 92% Europe). Regardless of location, respondents overwhelmingly agree that AI can enhance self-service for different use cases.

Remote Work: Overall, 33% of contact centers have had all agents return to the office full-time; 31% have agents return to the office part-time; 25% let agents choose between remote or office; and 11% have agents work remotely full-time. Numbers are surprisingly similar across all countries surveyed. Likewise, there's not much difference based on number of employees or annual revenue. Italy reports the highest percentage of agents who have returned to the office full-time at 49%.

Top challenges in moving agents back into the office include employees being unwilling to go into office full-time; lack of flexible work options; lack of talent due to agent turnover; and agent engagement/productivity. Employee resistance to returning to full-time in-office work is by far the biggest challenge faced by organizations in North America (65%), a full 20 to 40 percentage points higher than any of the European countries surveyed. In Europe, lack of flexible work options (45%) and agent engagement/productivity (43%) are the bigger challenges.

The metrics respondents use most commonly to measure contact center efficacy include:

64%

Customer satisfaction (CSAT)

55%

Average handle time

49%

First call/contact resolution

42%

Post-interaction surveys

Agent Turnover: Agent and employee retention is more of a challenge at larger businesses. For example, 52% of respondents from companies with more than 2,500 employees report retention as one of their primary challenges. In contrast, 40% from businesses with fewer than 2,500 employees report the same.

- Agent turnover has increased over the past year across the board. In Europe, 72% report at least a slight increase in turnover rates, while the number is a bit higher in North America (75%). Increased turnover is especially high in Italy (49%)—more than 15 points higher than in the other surveyed countries (Figure 17).

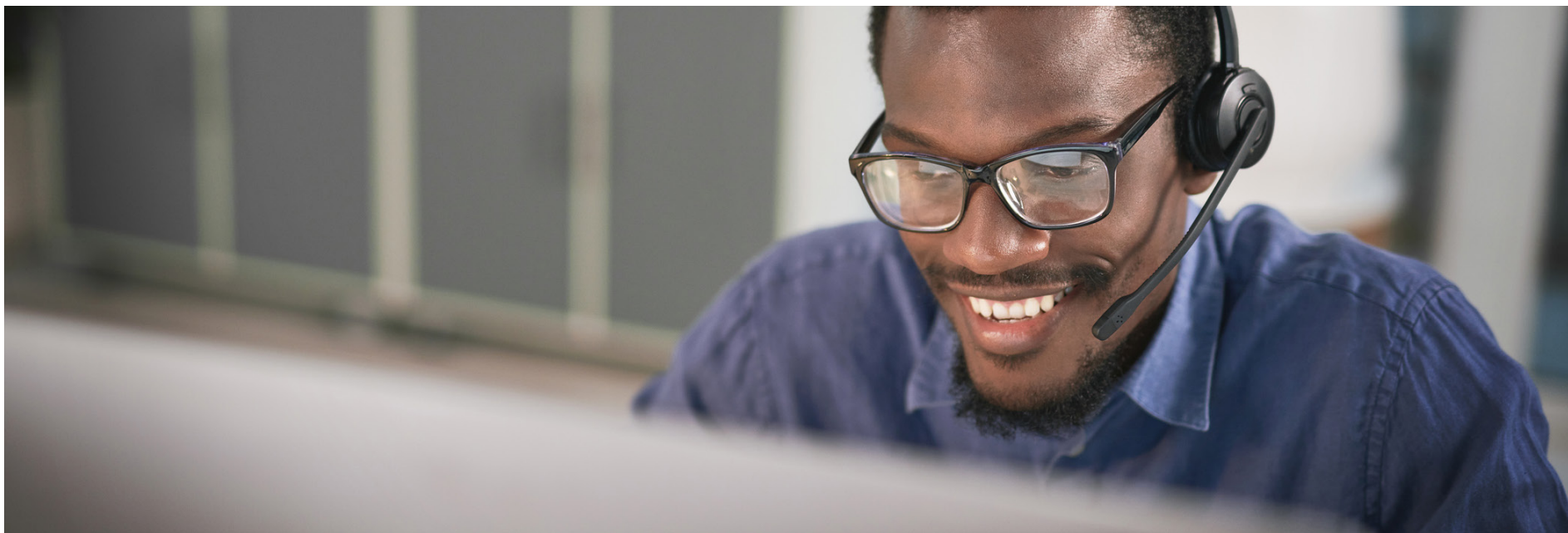
Customer Enablement: Over the past 24 months, 55% of respondents have provided online customer community forums as a customer enablement strategy. Other strategies include adding self-service resources, such as FAQs and blog posts (48%), and adding an NPS survey (33%). Online customer forums are especially common in the United Kingdom, with 72% of respondents reporting that they've deployed this strategy over the past 24 months.

Over the past two years, approximately two-thirds of respondents have increased focus on agent productivity and retention measurements. Other focus areas are CX/CSAT (42%) and channels (26%).

Respondents report they've made multiple changes to the way they measure customer satisfaction over the past 12 months, including:

- 45% revised the questions they ask
- 38% added the action to follow up with customers who provide positive responses
- 36% modified the frequency of CSAT surveys
- 24% added the action to follow up on customers who provided negative responses.

North American and European numbers are, once again, remarkably similar.



Key Focus Areas: When it comes to where respondents are emphasizing efforts for the next 12 months, several initiatives rank high in priority:

- 53% Improving the customer experience
- 50% Reducing agent/employee turnover
- 44% Implementing AI and automation to assist agents
- 44% Introducing conversational AI tools for self-service
- 38% Decreasing operational costs

Priorities differ a bit by country:

- Implementing AI and automation to assist agents tops the list in Italy and Spain at 56%, more than 10 points higher than in other countries.
- Italy (51%), France (51%), and Germany (48%) lead in prioritizing conversational AI tools, whereas Spain (33%) and Canada (37%) rank it lowest.

Survey Results

Today's contact center agents are dealing with many changes and challenges, forcing leaders to find ways to improve and enhance both customer and employee experiences.

Today's contact center agents are dealing with many changes and challenges, forcing leaders to find ways to improve and enhance both customer and employee experiences. The pandemic dramatically affected contact center interactions through changes associated with the way consumers shop, purchase, and seek support. Interaction volume is a key change, with 86% of BDMs noting increases.

How has the volume of interactions in your contact center changed in the past 24 months?

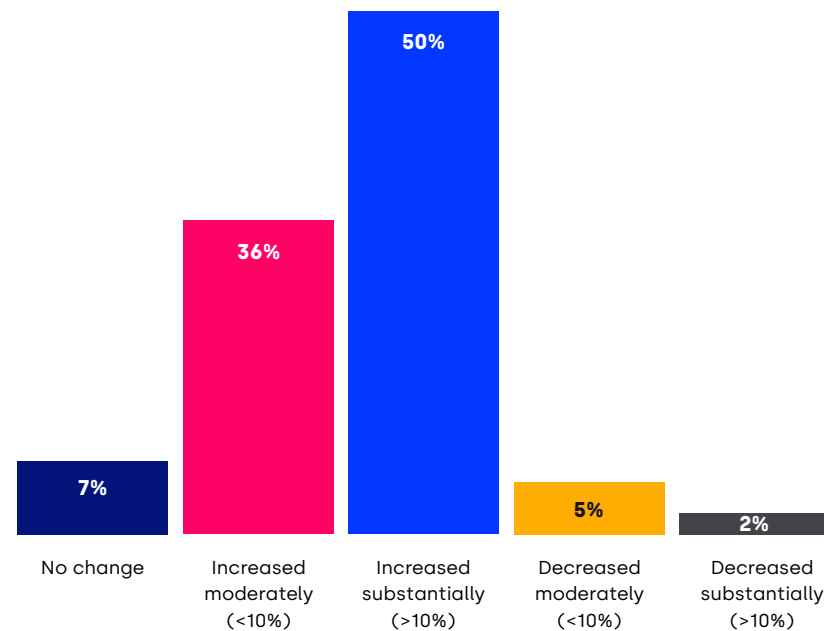


Figure 1: Half of respondents report that interaction volumes increased more than 10% in the past 24 months, with another 36% experiencing moderate increase. Only 14% reported decreased volume or no change.



The term *customer experience* has taken on a life of its own, with organizations of all sizes and in every industry touting their focus on this important competitive differentiator.

Interaction volume increased more substantially in Europe, with 56% of BDMs identifying increases of more than 10%, compared to 45% of BDMs in North America. France and Spain both reported 59% substantial increases, while Germany and the United Kingdom had the highest rates of substantial decreases (4% each).

The significant increase in contact center interactions is not surprising, given public lockdowns and consumer hesitance to interact face-to-face due to the pandemic. As concerns lessen and businesses go back to “normal,” interaction volume will likely decrease.

Changing Role of Customer Service Representatives

As organizations shift their view of the contact center from cost center to primary business interface, the role of customer service representatives (CSRs) or agents has changed. Customer experience and agent experience go together; organizations now recognize that “happy agents lead to happy customers.”

Organizations that want to improve customer satisfaction and loyalty pay attention to the agent and employee experience. This includes providing the right tools, technologies, processes, and techniques for agents, supervisors, and other employees. These organizations also acknowledge the changes impacting CSRs and recognize them for their service and challenges they face on a day-to-day basis.

The term customer experience has taken on a life of its own, with organizations of all sizes and in every industry touting their focus on this important competitive differentiator. Customer experience is about delivering experiences to customers that consistently meet and exceed their expectations throughout the entire lifecycle and customer journey, including the quality of the product or service itself, customer service and support, and the sales and post-sales experience.

The agent role has changed in several ways in the past 24 months, with work-from-home followed by the return to the office, the rise of AI to assist agents and customers, and of course, increasing customer demands. Only 9% of respondents report they experienced no changes to the role of CSRs in the past two years.



How has the role of the customer service representative changed at your company in the past 24 months? (Select all that apply.)

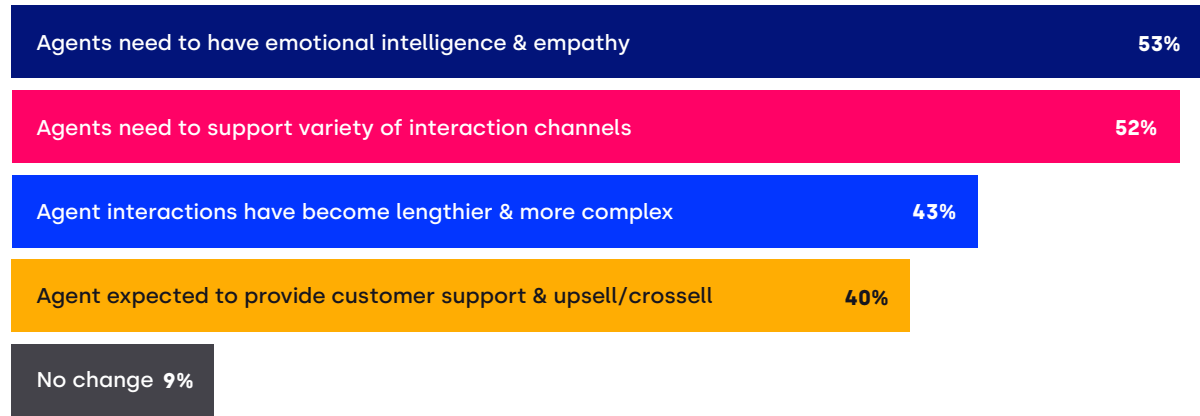


Figure 2: When asked how they see CSR roles changing, most respondents noted the biggest challenges as the need for emotional intelligence and empathy (53%), plus the ability to support a variety of interaction channels (52%).

BDMs surveyed recognize the changing role of CSRs and the new challenges they face (Figure 2). Empathy has replaced expediency as customers seek a more human experience. Customers want and expect agents to truly listen to their needs, understand and identify with their situation or feelings, and solve their issues or answer their questions effectively.

Along with handling issues that require greater empathy, 52% of respondents agree that agents must adapt to using multiple interaction channels, including digital—email, chat, messaging, and social media.

No longer focused on basic inquiries such as “What is my account balance?” or “When will my package arrive?”, agents are taking on more complex inquiries as companies use AI and self-service technologies to address more basic inquiries. More complex interactions not only often take longer to handle, but many agents are also expected to sell new or add-on products (40%).

These results are consistent across geographies, with the need for empathy/emotional intelligence and support for multiple channels coming out on top in every country surveyed.



The channel mix also adds to the challenges. While digital channels such as email, chat, messaging, social media, and others aren't new, they've quickly grown in usage in the past two years. With digital transformations taking place across most industries, consumers have come to rely on digital interactions not only for purchasing products but also for customer service and support.

Organizations are stepping up and adding more channels to provide options that "meet their customers where they are." And, of course, to reduce costs. Digital channels can be much more cost-effective than voice, increasing efficiency and reducing labor costs. For instance, agents can handle multiple digital channels simultaneously as opposed to addressing only one voice interaction at a time.

There's no doubt that the days of voice-only contact centers are ending: Only 5% of the BDMs' organizations support voice-only. That said, there are different ways to support and integrate multiple channels.

Contact centers can provide omnichannel experiences by utilizing a single platform approach, with all channels provided by a single vendor on one platform. Or they can integrate channels from multiple vendors to provide fully integrated channels. Both approaches offer the benefits of a seamless transition from one channel to another while maintaining context of the customer interaction. Alternatively, organizations can simply provide a choice of channels but keep the individual interaction channels separate and siloed.

Do you provide omnichannel experiences for customers?

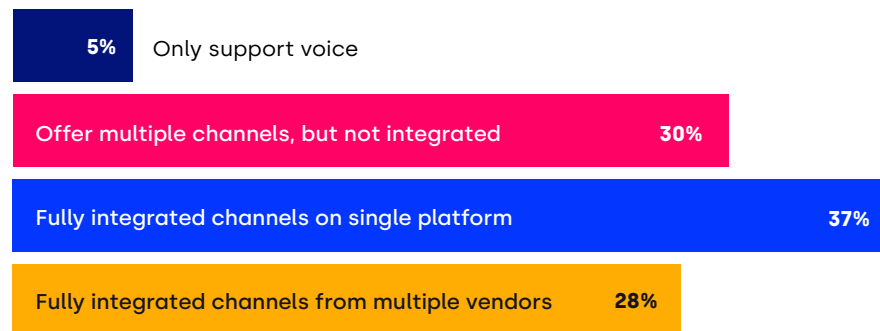


Figure 3: Most BDMs surveyed provide fully integrated channels on a single platform (37%), followed by offering multiple channels that are not integrated (30%), and those providing fully integrated channels from multiple vendors (28%).

France and Italy are ahead of the game when it comes to digital interactions: neither relies on voice-only interaction. On the other hand, the United States has the highest number of voice-only contact centers at 7%.

90%

of BDMs acknowledge spending more time and attention on the agent experience in the past year.

Increased Focus on Agent Experience

All the elements producing change in the agent experience create challenges that organizations must address. Fortunately, most organizations are devoting more time and attention to agent/employee experience and engagement. In the past year, 90% of BDMs acknowledge spending more time and attention on the agent experience.

In the past year, have you spent more time and attention focusing on agent/employee experience and engagement?

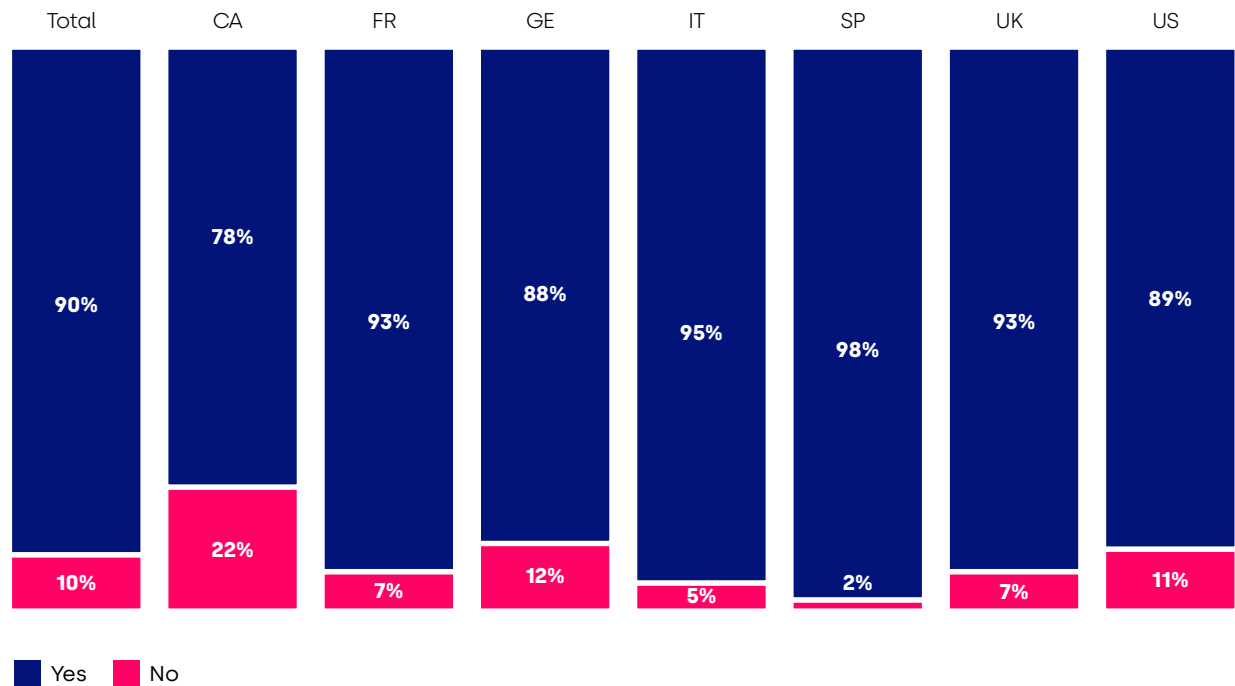


Figure 4: Almost all respondents from Spain, Italy, France, and the United Kingdom spent more time and attention on agent/employee experience and engagement, while Canada lagged with only 78%.

Organization size also plays a part. Those with 1,001–2,500 employees were more likely to spend more time on agent experience (97%), while only 87% of organizations with more than 2,500 employees did the same.

In the past year, have you spent more time and attention focusing on agent/employee experience and engagement?

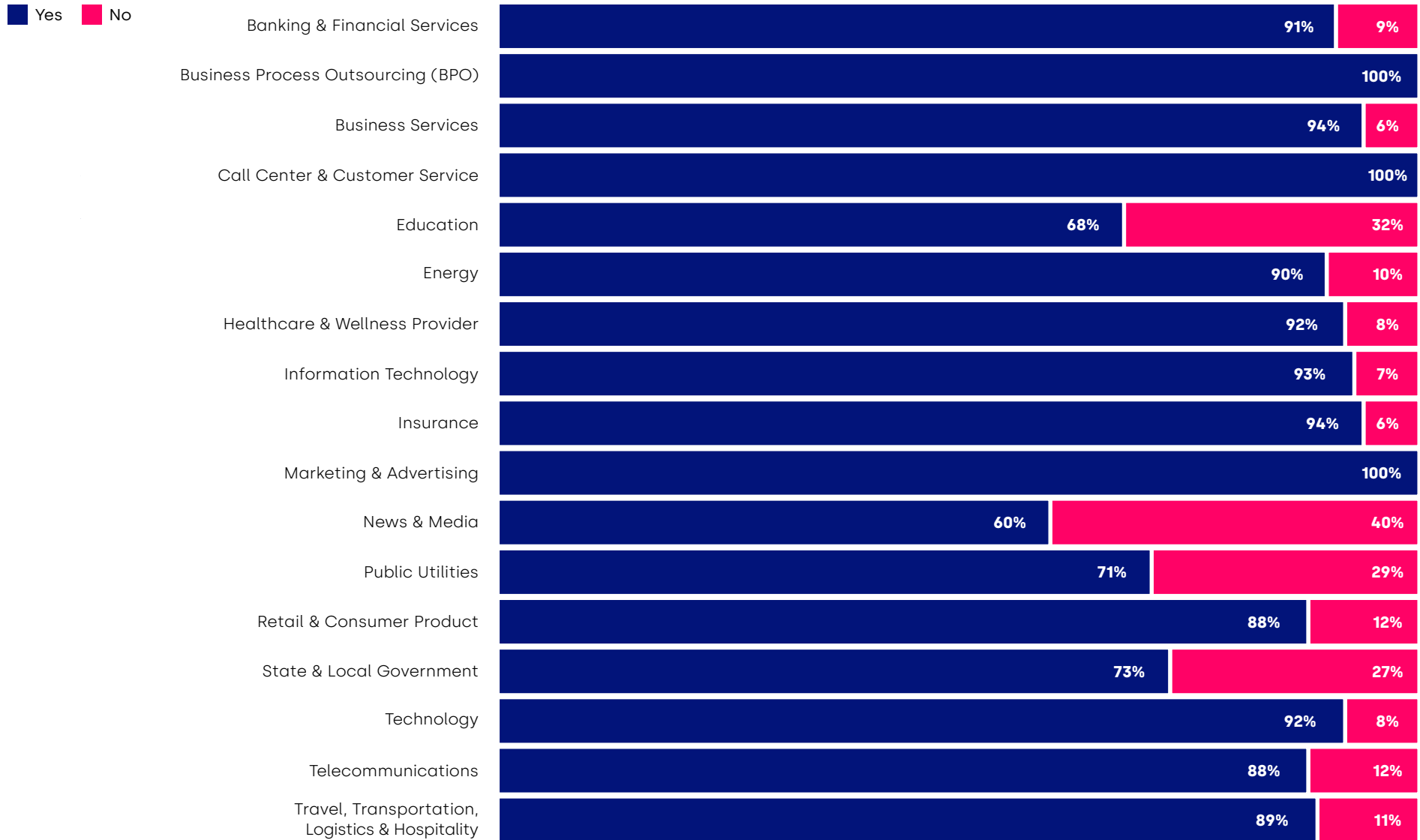


Figure 5: Organization attention to agent experience also differs by industry. Whereas all respondents from BPO and marketing and advertising organizations spent more time on agent resources, only 60% of news and media respondents did so.

What tools have you added or enhanced to spend more time and attention focusing on agent/employee experience and engagement? (Select all that apply.)

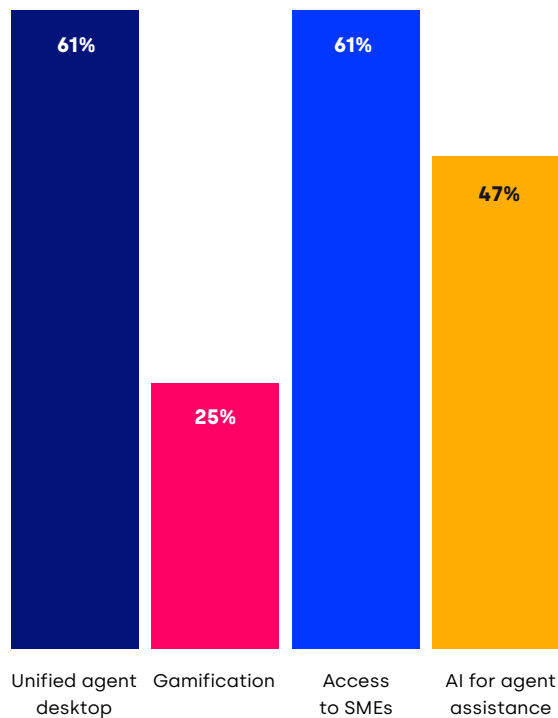


Figure 6: Expect to see gamification usage grow as more contact center vendors incorporate it into their solutions.

Of BDMs noting that their organizations focused on the agent experience, two approaches topped the list at 61% each. The majority have consolidated all applications under a unified agent desktop and added access to subject matter experts (SMEs) outside of the contact center:

- A unified agent desktop helps agents deliver fast, effective customer experiences by serving customers through multiple channels; view customer history; access resources and data to solve customer issues; and more. Agents don't have to switch between systems and screens to answer inquiries, increasing their effectiveness and reducing frustration.
- The ability to access SMEs beyond the contact center helps agents solve customer issues and answer their questions more quickly, improving first-contact resolution. The ability to view a SME's availability and send a short chat message to get information helps agents solve issues more effectively, improving both the customer and agent experience.

AI tools also help provide agents with the information they need, offering relevant suggested responses or documents and resources to best solve a customer's issue. While 47% of respondent organizations currently provide AI for agent assistance, we expect this number to increase as AI tools become more cost effective and ubiquitous.

Surprisingly, only 25% are using gamification to improve the agent experience. Gamification involves using game-like techniques to influence agent behavior by setting goals, measuring performance in relation to those goals, and encouraging friendly competition to help motivate agents with badges, trophies, and even prizes. A simple and cost-effective way to motivate agents, gamification is becoming an essential element of workforce engagement management (WEM) solutions.

What tools have you added or enhanced to spend more time and attention focusing on agent/employee experience and engagement? (Select all that apply.)

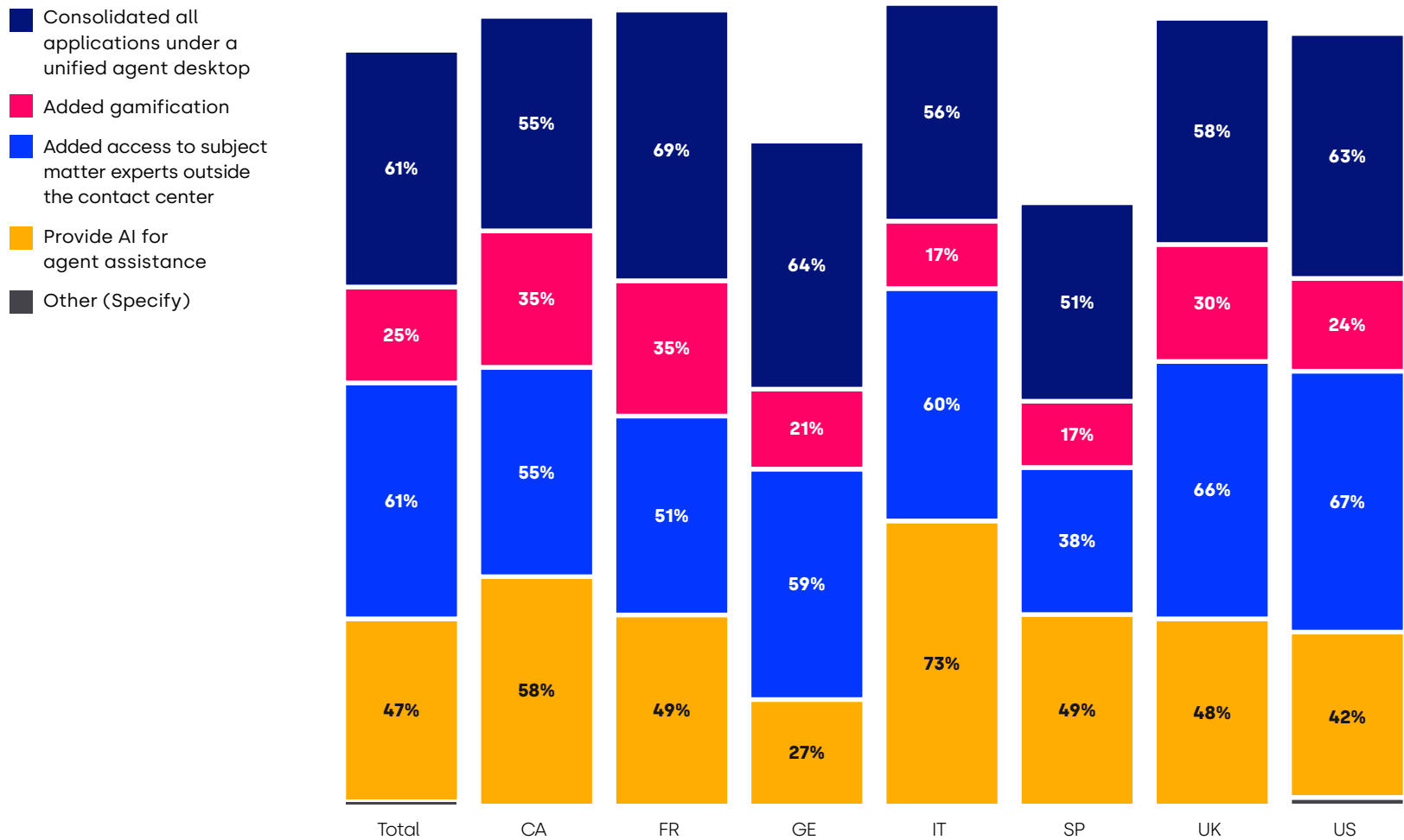


Figure 7: Although all respondents report efforts toward improving agent experience, they're taking different approaches. Adoption rates vary widely across tactics.



Self-service is also on the rise with the addition of bots, conversational AI, FAQs, and other AI tools that help consumers get the information they need, when they need it.

Using AI for agent assistance is most common in Italy (73%) but lowest in Germany (27%). Respondents from France and Germany were more likely to consolidate all applications with a unified agent desktop, while U.K. and U.S. respondents prioritized providing access to SMEs.

Most respondents have yet to add gamification. Canada (35%), France (35%), and the United Kingdom (30%) are leading adoption, while Spain and Italy are slower to make the shift (17% each). Providing access to SMEs beyond the contact center is most common in the United States (67%) and the United Kingdom (66%), but least likely in Spain (38%).

From an industry perspective, healthcare and technology organizations are most likely to have added access to SMEs (69%, 67%, respectively), followed by banking and financial services (63%) and retail (62%). The need to reach out to SMEs generally increases as inquiries and interactions become more complex, so it's no surprise that these industries see the most usage.

Digital Channels & Self-Service

Meeting customers on their own terms is becoming a competitive advantage. The use of digital channels is on the rise; organizations need to provide consumers with their preferred channels. Web chat, email, messaging, and other digital options let customers choose what's most effective for their situation. Web chat may be the most efficient while visiting a brand's website, while email may be more practical for sharing documents, photos, or videos.

Self-service is also on the rise with the addition of bots, conversational AI, FAQs, and other AI tools that help consumers get the information they need, when they need it. No longer content to interact with agents during regular business hours, consumers want 24x7 access without the need to speak to a representative.

The overwhelming majority of respondents noted changes in the mix of interaction channels in the past two years, with all but 9% experiencing changes. With an equal split between moderate and substantial changes, almost all respondents noted an increase in email, chat, and messaging as a percentage of interactions.

How has the mix of customer interactions changed in the past two years?

- No change—majority of interactions remain voice based
- Moderate change—with a mix of voice, email & messaging
- Substantial change—increase in email, chat & messaging as a percentage of interactions

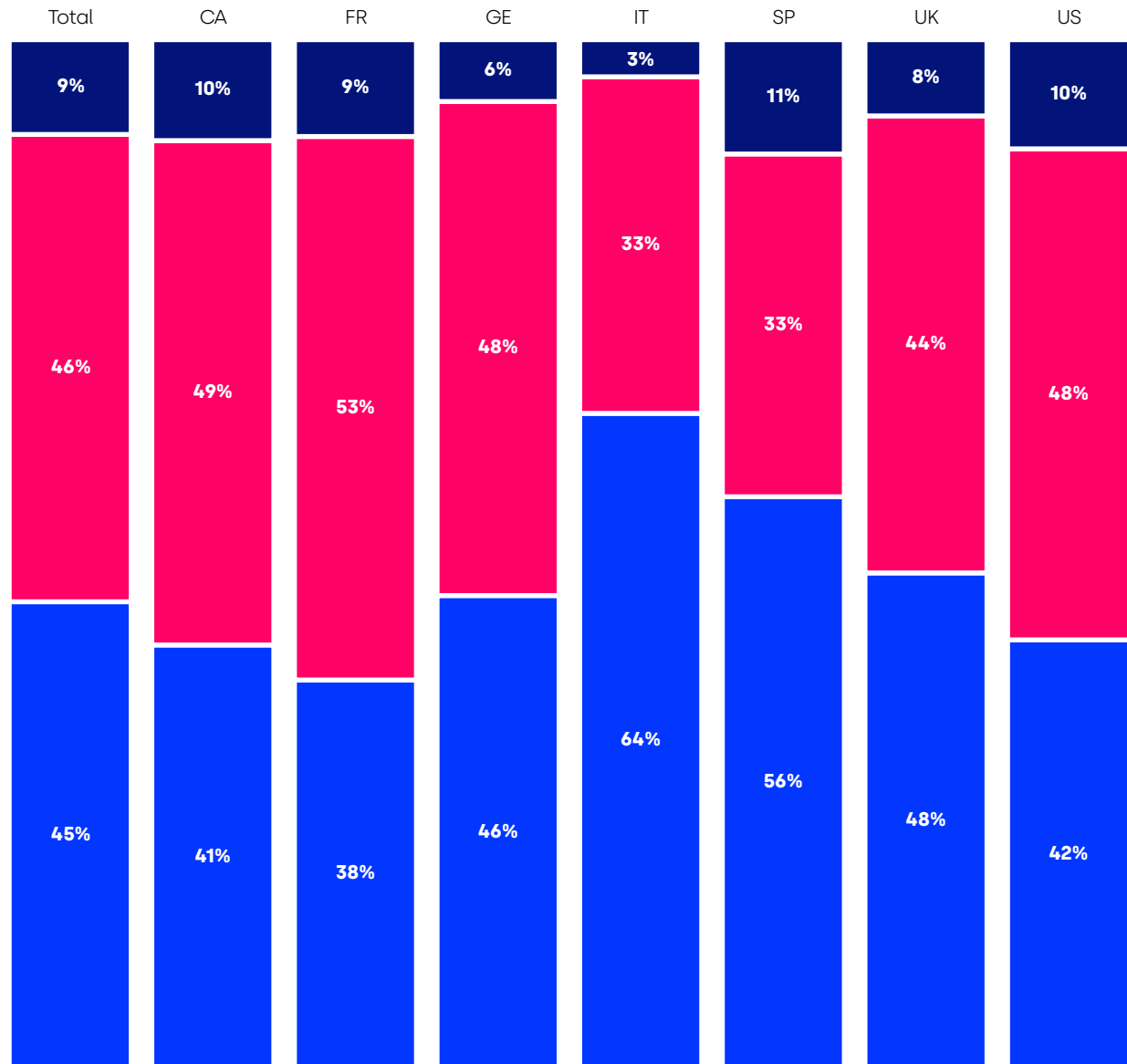


Figure 8: The mix of customer interaction channels has typically experienced moderate change with a mix of voice, email, and messaging (45%) or substantial changes with an increase in email, chat, and messaging as a percentage of interactions (45%). No more than 11% reported no change.

It's clear that we are in a digital engagement world. Non-voice channels including email, live chat, and messaging are increasingly in use, representing a growing portion of interactions.



It's clear that we are in a digital engagement world. Non-voice channels including email, live chat, and messaging are increasingly in use, representing a growing portion of interactions. In fact, 61% of respondents report that digital channels now represent 21%–60% of their customer interactions.

BDMs in Italy reported the most changes with 64% of respondents noting a substantial increase in digital channels, followed by Spain (56%). The United States and Canada reported the least change with the majority of interactions remaining voice based and 11% and 10%, respectively, experiencing no change.

Company revenue levels also affected the rate of change. Businesses with more than \$1B in annual revenue (49%) reported more substantial changes followed by those with \$250M–\$500M in annual revenue (38%). Organizations with 251–500 employees were least likely to experience change with the majority of interactions remaining voice based (31%), while also experiencing increases in digital as a percentage of interactions (46%).

Approximately half (49%; 47% North America, 52% Europe) of respondents report that customer interactions take place via non-voice digital channels more than 40% of the time. The rate is highest in France at 68% and lowest in Canada at 35%. Looking to the future, most respondents expect the non-voice digital channels to increase in the next two years.

What percentage of all customer interactions take place via non-voice digital channels including email, live chat, and messaging? Percentage expected by 2024?

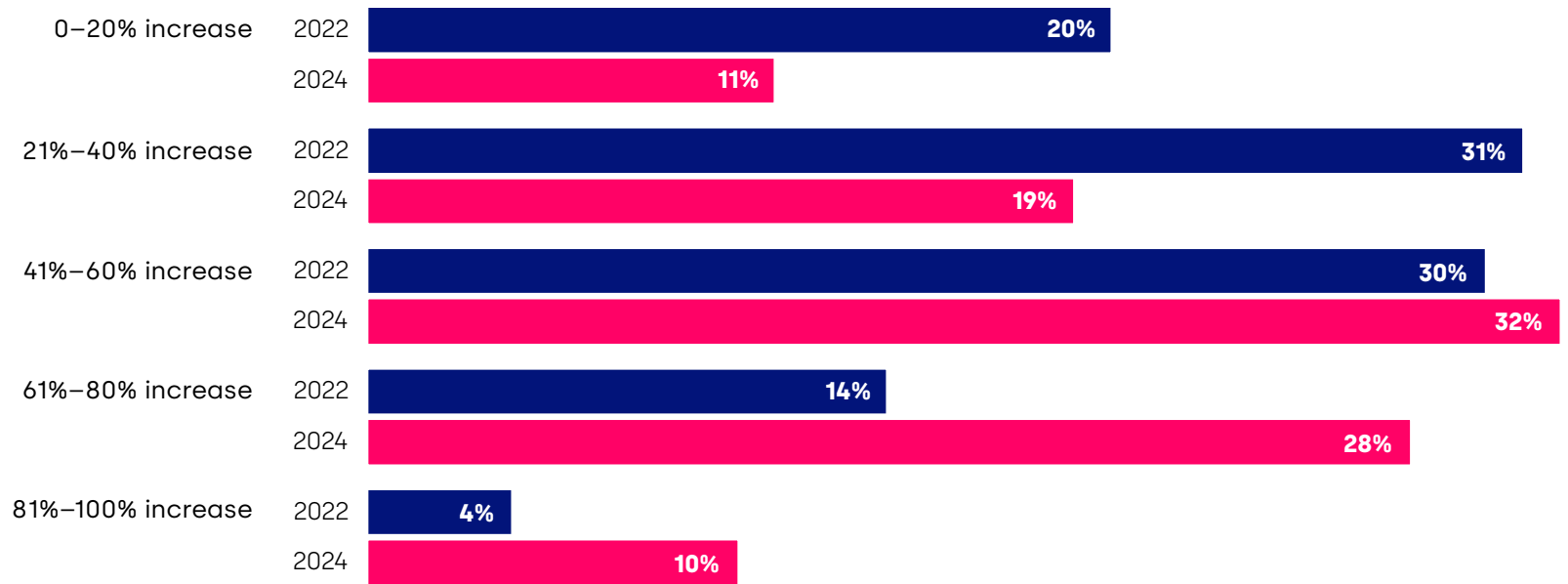


Figure 9: More than two-thirds (70%; 68% North America, 73% Europe) of respondents expect non-voice interactions to exceed 40% by 2024.

Self-Service on the Rise

Respondents also expect self-service interactions to increase, with 70% predicting that 41%–100% of interactions will be fully handled by self-service by 2024. The increase and improvement in self-service offerings and technologies will make this possible, although organizations need to ensure that customers can reach a live agent when needed to avoid customer frustration and unresolved issues.

What percentage of customer support interactions do you expect to be fully handled by self-service?

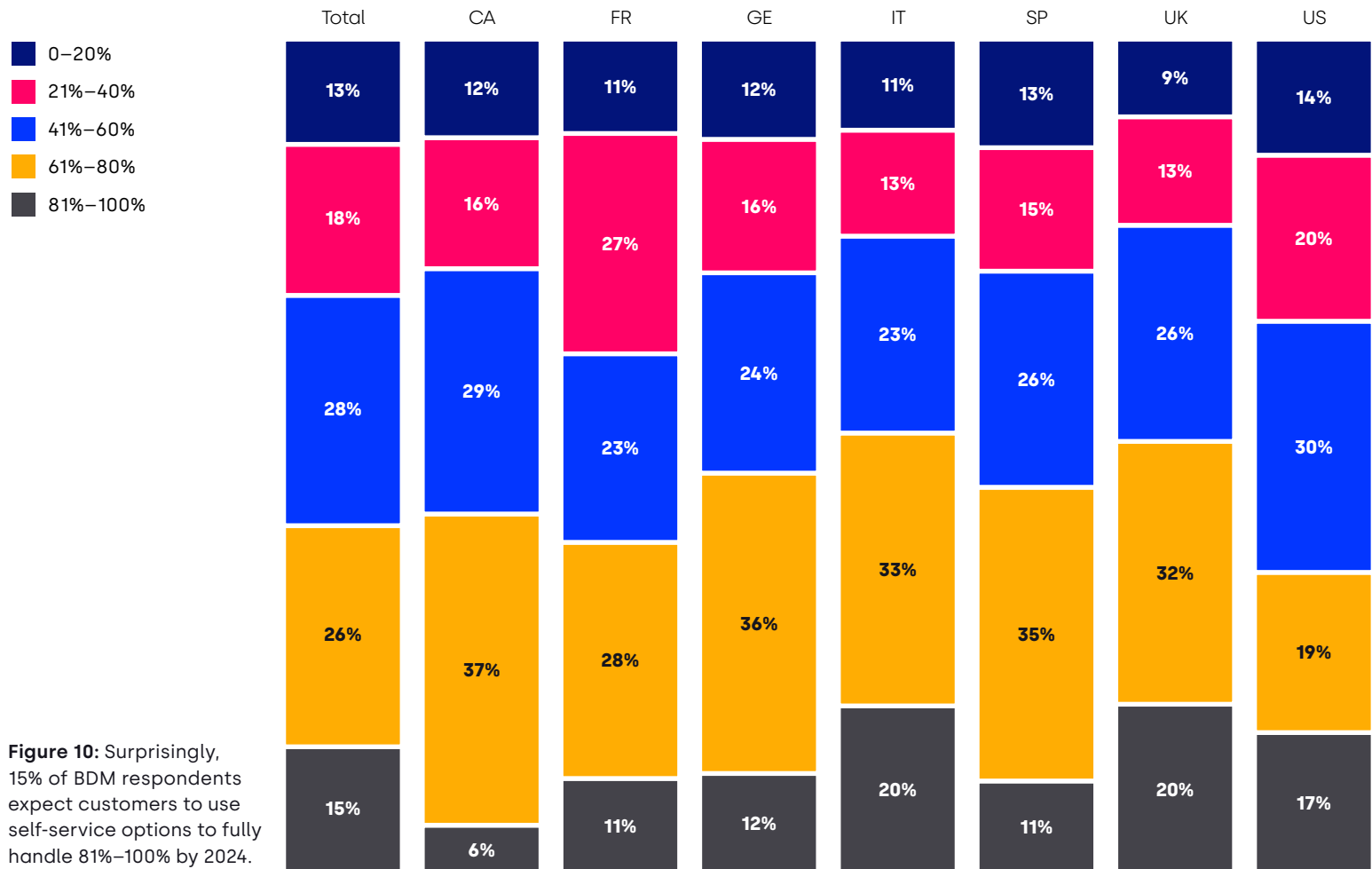


Figure 10: Surprisingly, 15% of BDM respondents expect customers to use self-service options to fully handle 81%–100% by 2024.

Artificial Intelligence Emerging

AI is an umbrella term for several technologies, including machine learning (ML), natural language understanding (NLU), bots, and more. AI technologies can be customer facing, assisting customers as they navigate through their journeys using technologies such as bots (or chat bots) and conversational AI.

Organizations are using chatbots to offset particularly manual and mundane agent tasks while delivering fast, efficient service to customers directly. Other AI technologies can assist agents during customer interactions, providing capabilities such as agent assist, next-best action, coaching, and more.

Respondent data shows that the number of organizations using AI for customer service is rising quickly. While only 19.3% of respondents were using AI tools such as ML and chatbots in their contact centers in our 2019 survey, 54.8% of respondents were using AI tools by the 2020 survey. That number again increased to 73% in this year's survey. Of those not currently using AI, a third or more plan to do so in the next 12 months (39% globally; 32% North America, 53% Europe). Using conversational AI for all customer self-service (78%) and to assist agents during direct customer interaction (90%) is very common.

Do you currently use AI in the contact center?

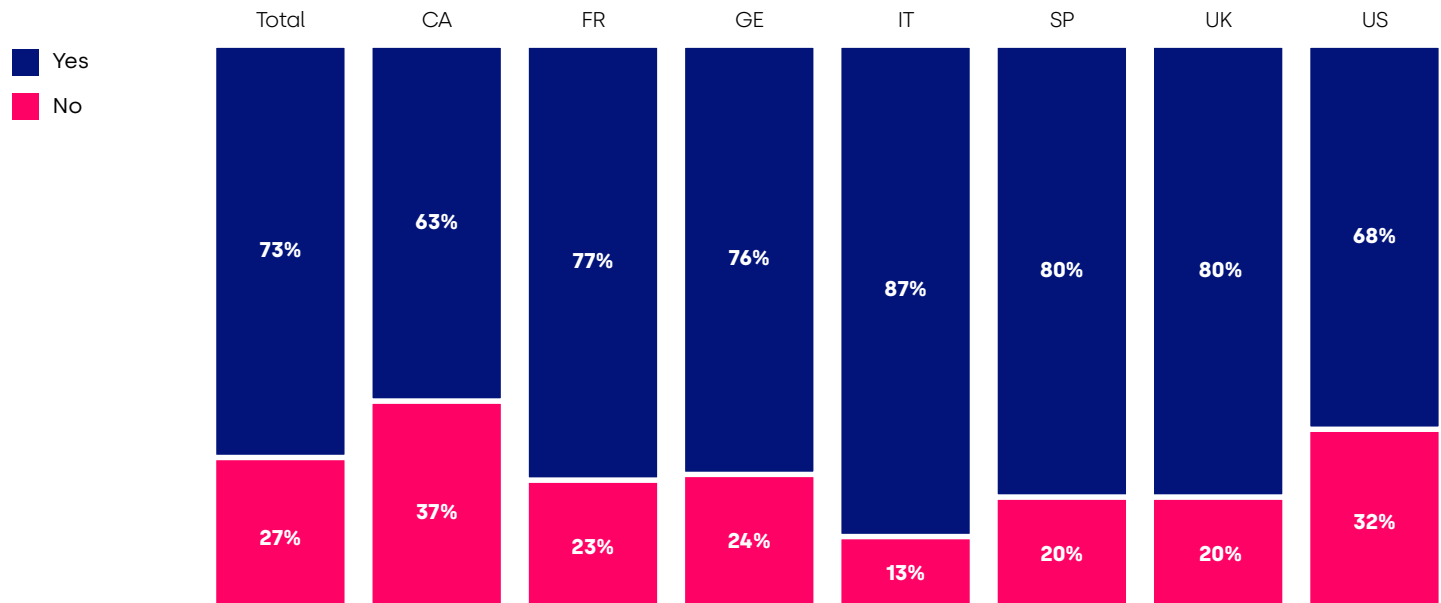


Figure 11: From a global perspective, 73% of contact centers currently use AI (67% North America, 80% Europe). The rates are highest in Italy at 87% and lowest in Canada at 63%.

Among the 27% of organizations not currently using AI, 39% plan to use it in the next 12 months, with only 18% having no plans to use AI, and 43% undecided. Of these, organizations in Italy and France show the highest interest in AI, while U.S. and Canadian organizations show the least.

Do you have plans to use AI in your contact center in the next 12 months?

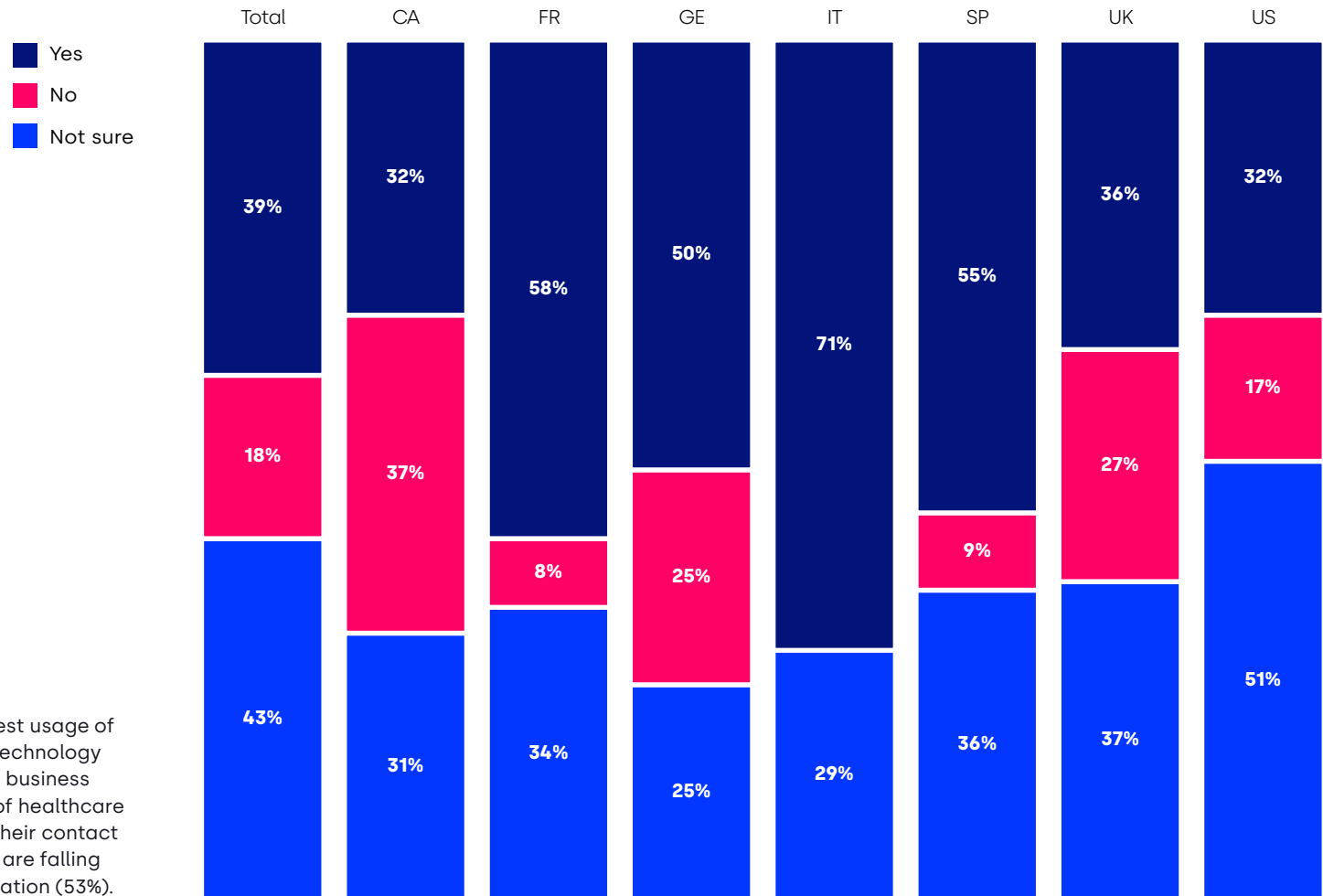


Figure 12: The industries with the highest usage of AI are technology (90%), information technology (84%), telecommunications (82%), and business services (82%). Surprisingly, only 59% of healthcare respondents are currently using AI in their contact centers. State and local governments are falling behind with only 47%, along with education (53%).

Do you have plans to use AI in your contact center for conversational AI (IVA) for all customer self-service? To assist your agents as they interact with customers directly?

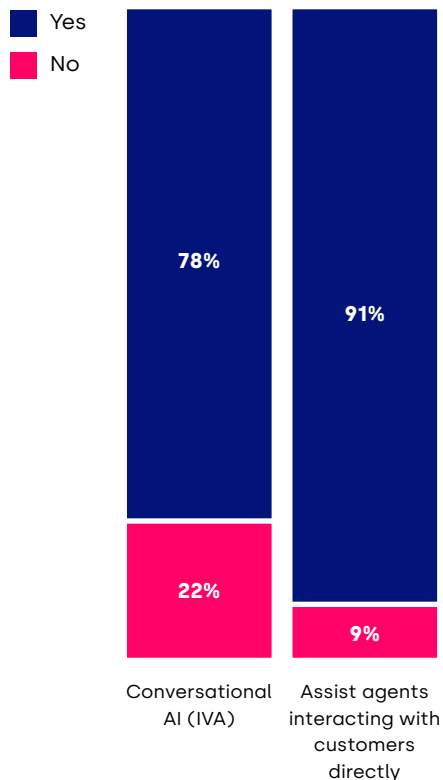


Figure 13: Organizations are using AI technologies in both customer-facing and agent-assist capacities.



Conversational AI or intelligent virtual assistants (IVAs) automate routine, repetitive tasks by using AI technology to first identify what customers want then provide responses without a human agent. IVAs provide self-service support to customers with a conversational, yet automated, experience.

Of the 73% of respondents currently using AI in their contact centers, 91% use AI to assist agents during customer interactions, while 79% use conversational AI or IVA to provide customer self-service.

The high use of conversational AI is surprising as it's a relatively advanced capability. Conversational AI enables human-like interactions between machines and people using technologies including natural language processing (NLP), NLU, and ML. Organizations are using conversational AI to create intelligent IVA systems and more advanced chatbots.

Conversational AI goes beyond basic intelligent voice response (IVR) systems, enabling users to speak using conversational dialog rather than simply entering prompts such as "account balance" or "hours of operation." Since such a high portion of respondents indicated that they're using conversational AI for customer self-service, we assume many are including speech-based IVR rather than NLU and ML-based conversational AI.

There are many ways to use AI to provide a range of benefits to agents and customers. For example, organizations can use AI to assist agents behind the scenes with capabilities such as Agent Assist or Next-Best Action. Or they can use it to provide real-time performance management and quality monitoring.

We asked participants how strongly they agree with different ways AI can improve contact center operations. Respondents overwhelmingly agree that AI has tremendous abilities in improving contact center operations, particularly for self-service and real-time agent assistance.

Do you agree or disagree that AI can improve the following contact center operations?

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
- Not sure

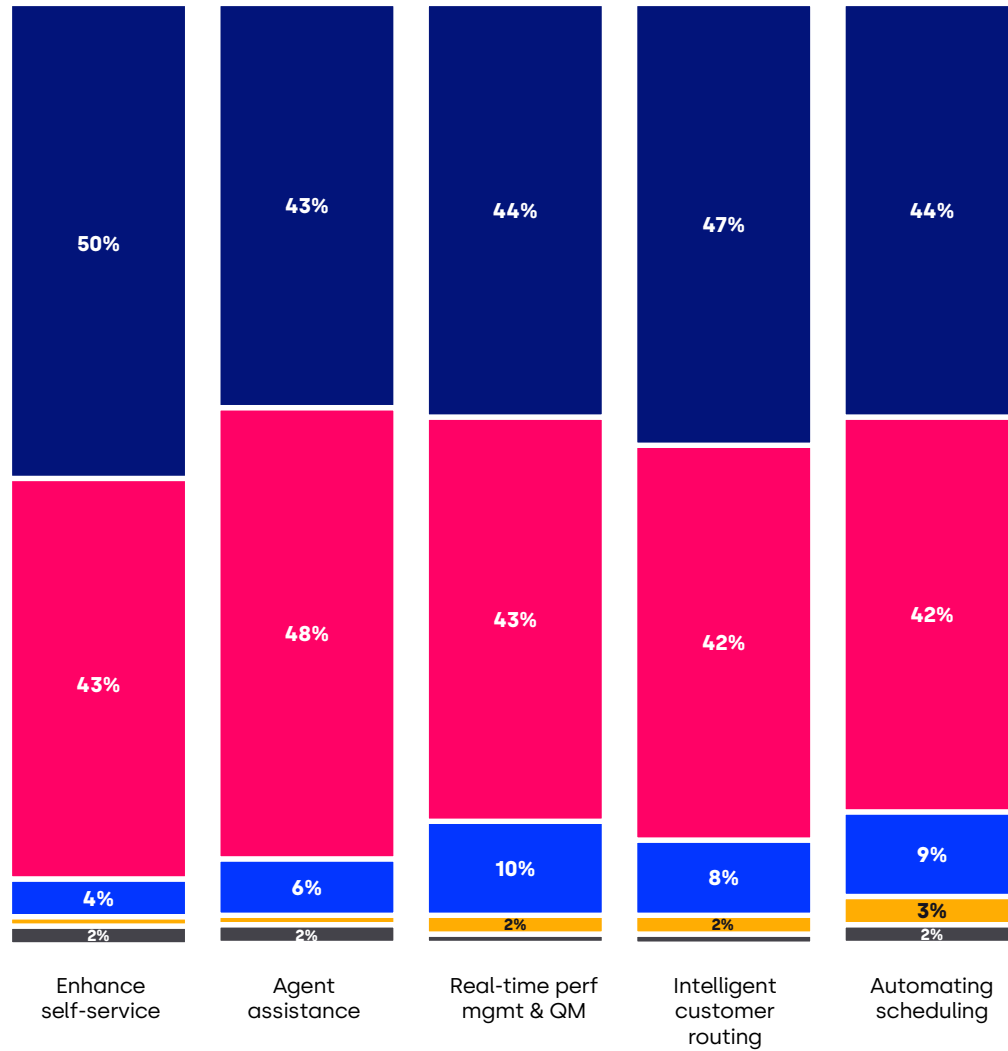


Figure 14: All respondents overwhelmingly agree that AI can benefit the five operational elements we highlighted.

Flexibility seems key as one-third of respondents' organizations allow agents to return to the office part-time, while a quarter give agents the choice of whether to work remotely or in-office.



Decision-makers in both Europe and North America overwhelmingly agree that AI can enhance service in several operational areas: self-service (94%), agent assistance such as knowledge and guidance as they engage customers (91%), intelligent routing to send customers to the best agent to address their issue (89%), real-time performance management and quality monitoring (87%), and automated scheduling (86%).

Addressing Employee Experience

The Great Resignation has affected businesses of all kinds across the United States. The pandemic changed how some people think about life and work, resulting in a record number of employees voluntarily leaving their jobs and either switching employers or dropping out of the workforce entirely. The Great Resignation has spread to Western Europe, particularly for younger workers. Employees are re-evaluating their approach to work with demands for greater flexibility, more WFH options, and a stronger focus on employee well-being.

Contact centers have traditionally experienced high turnover rates, and the past two years created even more challenges for organizations to hire and retain qualified agents. As employees slowly begin returning to the office, it's clear that expectations have changed, and the desire for more flexible WFH options will continue in the near future.

Contact Center Staffing Situation

Flexibility seems key as one-third of respondents' organizations allow agents to return to the office part-time, while a quarter give agents the choice of whether to work remotely or in-office. Most organizations won't return to the pre-pandemic norm of five days a week in-office and will instead provide employees with additional options.

Globally, 33% of contact centers have had all agents return to the office full-time; 31% have agents return to the office part-time; 25% have agents choose between work-from-home or office; and 11% have agents work remotely full-time. There's little difference among companies based on annual revenue or number of employees.

North American and European numbers are surprisingly similar.

Which of the following best describes your current contact center staffing situation as it relates to remote work?

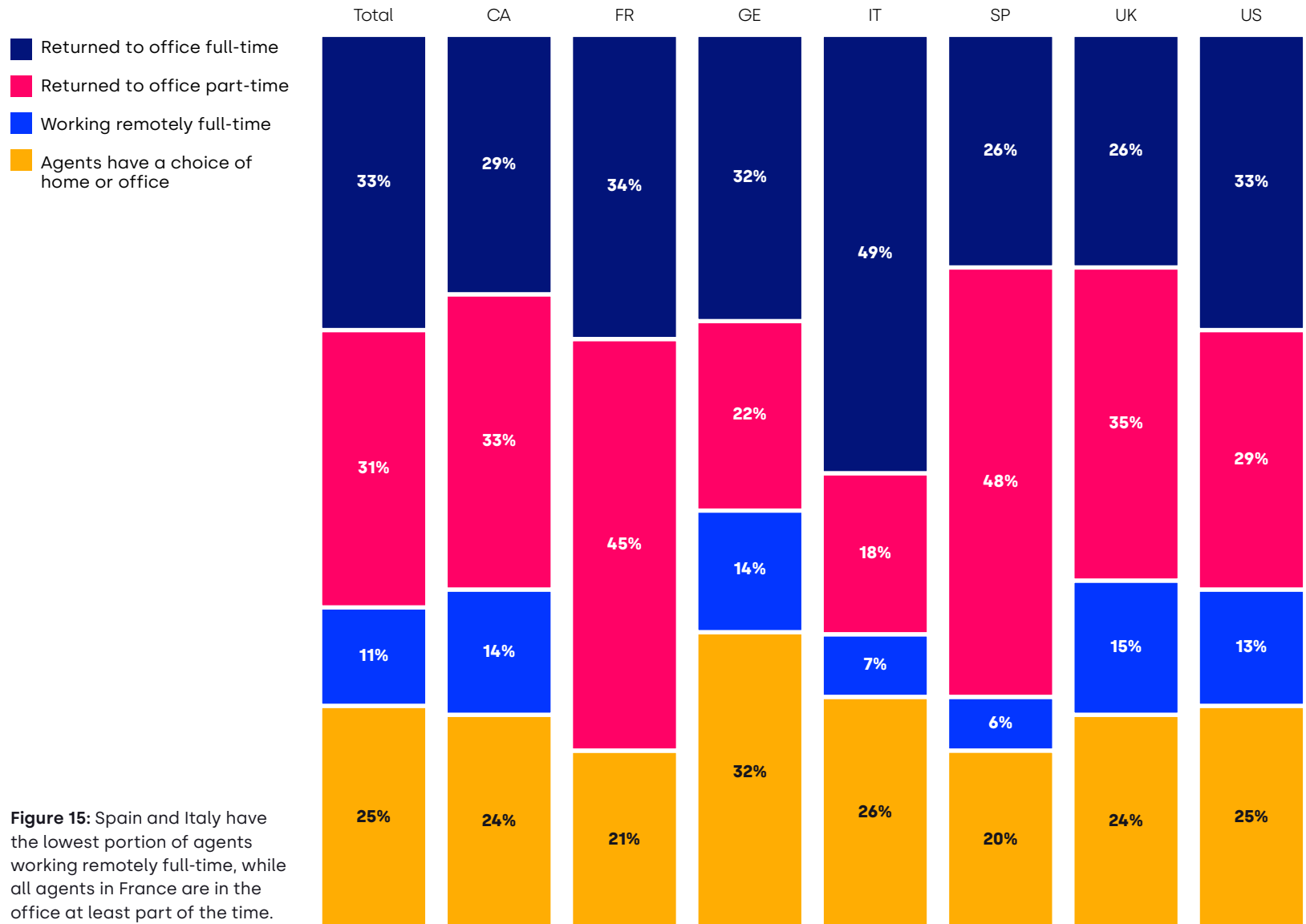


Figure 15: Spain and Italy have the lowest portion of agents working remotely full-time, while all agents in France are in the office at least part of the time.

Most of Italy's contact center employees have returned to the office full-time, while 48% of agents in Spain have returned to the office part-time. The highest portion of agents in France have returned to the office part-time. These contrast with Germany, where 12% of employees are working remotely full-time.

There are many challenges to overcome as employees return to the office. When asked about challenges with moving all contact center agents back to the office, responses included an unwillingness to return to the office full-time topped the list at 54%, followed by a lack of flexible work options (42%).

What are your challenges with moving all contact center agents back to the office? (Select all that apply.)

- Preference—employees are not willing to go into the office full-time
- Lack of resources due to agent turnover
- Agent engagement/productivity
- Inconsistent onboarding/training
- Lack of flexible work options—hybrid workforce/shift scheduling due to other responsibilities
- Other
- Not sure

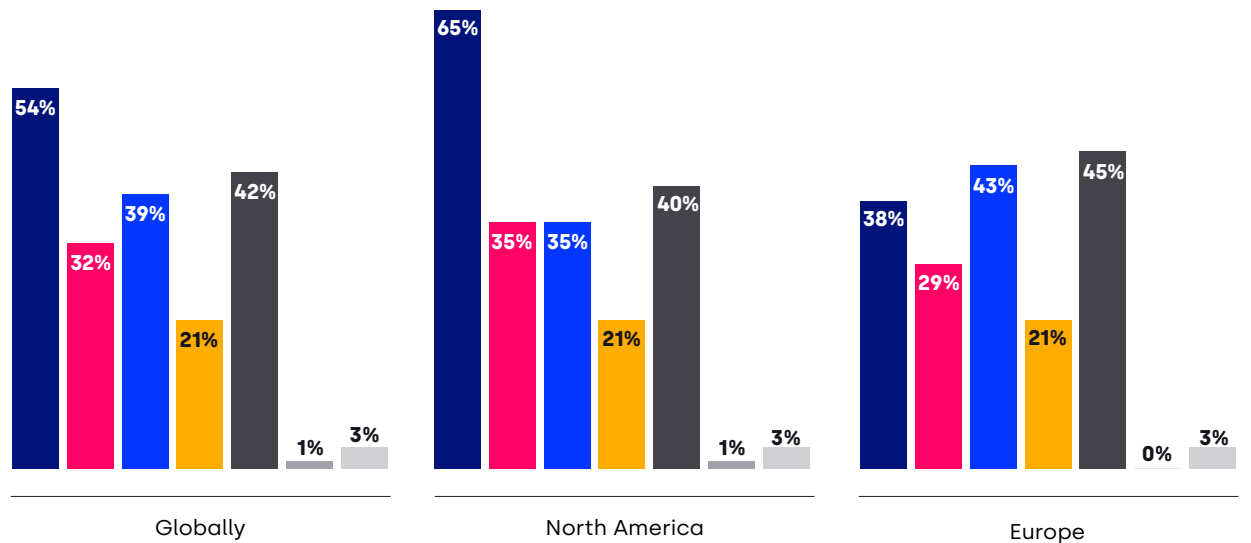


Figure 16: Organizations in North America have the highest percentage (65%) of employees who prefer not to return to an office full-time—20 to 40 percentage points higher than in each of the European countries surveyed.

Employees are demanding flexibility. The combination of forcing employees who don't want to return to the office full-time, plus organizations lacking tools for effective hybrid workforce scheduling, could be a recipe for disaster. And it may be why 32% of respondents are having a challenging time finding talent due to agent turnover.

Agent turnover continues to be a growing issue as 73% of respondents noted a slight or substantial increase in turnover rates (42% and 31%, respectively). Only 14% experienced no change, while 13% experienced a decrease in turnover.

How has agent turnover changed over the past year?

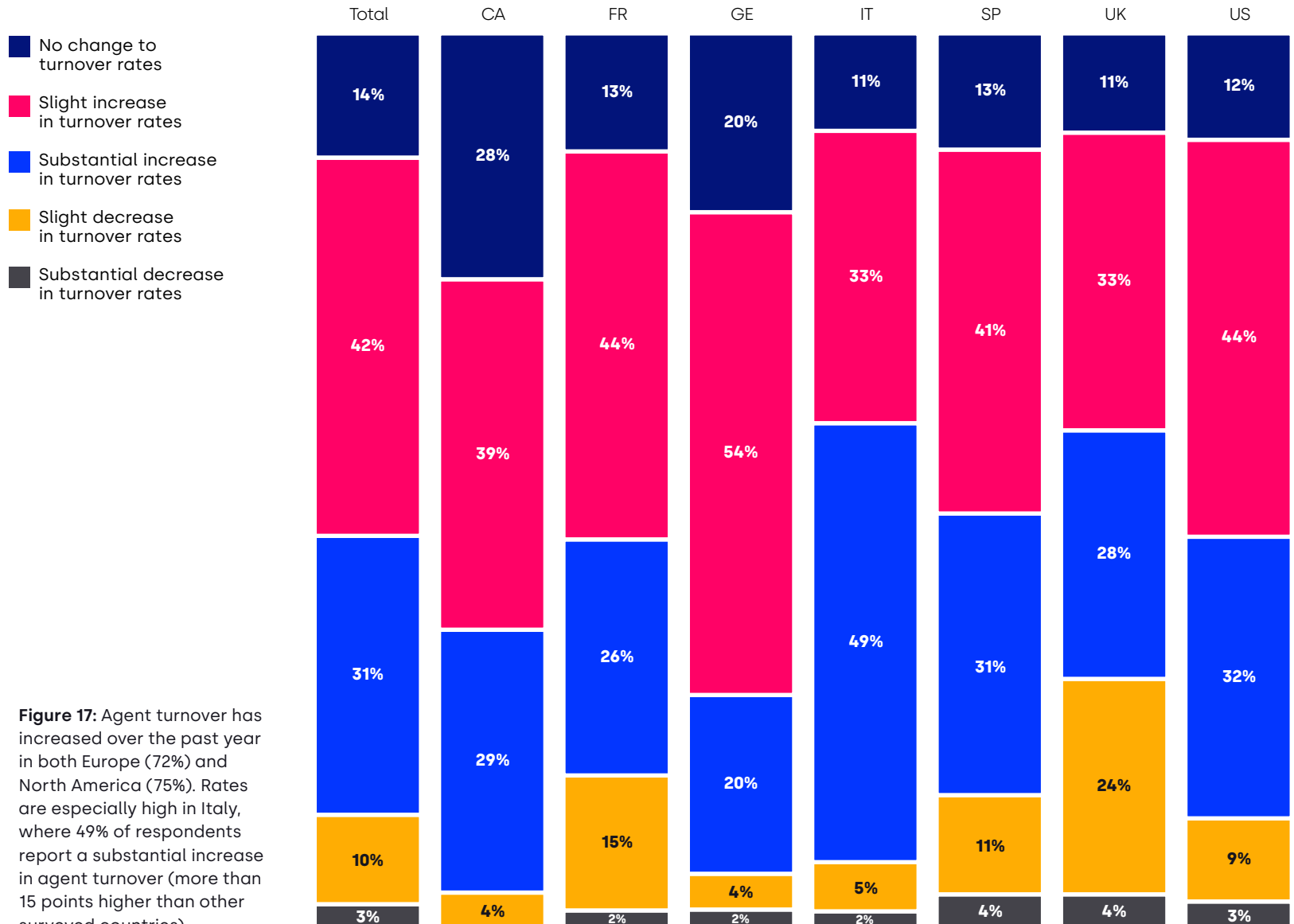


Figure 17: Agent turnover has increased over the past year in both Europe (72%) and North America (75%). Rates are especially high in Italy, where 49% of respondents report a substantial increase in agent turnover (more than 15 points higher than other surveyed countries).

- Compensation
- No remote work policy/flexibility
- Lack of or unattractive career path
- Lack of useful systems and tools
- Ineffective training and coaching
- Lack of clear success measures
- Customer issues increasingly complex
- Other

What factors are impacting agent/employee frustration and turnover? (Select all that apply.)

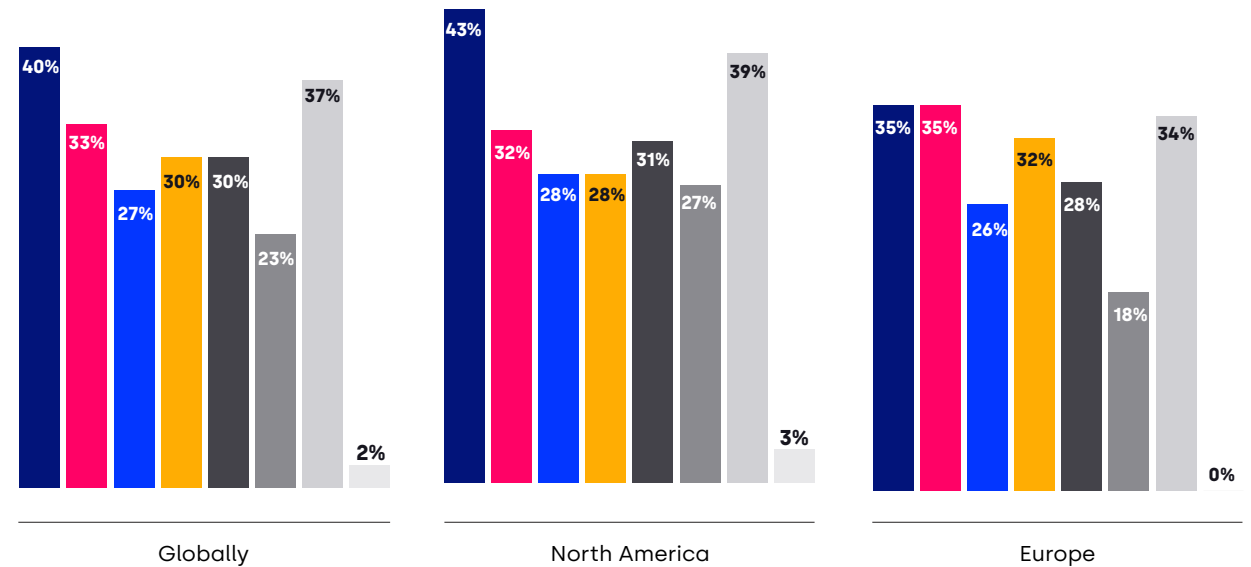


Figure 18: The top factors impacting agent/employee frustration and turnover are compensation (40% globally) and customer issues becoming increasingly complex and challenging (37%).

While contact center technologies can't address compensation, career path, or other issues, they can help provide the tools that agents need to be more effective, address more complex customer issues, and receive effective training and coaching.

Retaining agents and employees was the number one issue (47%), closely followed by keeping remote agents and employees productive (46%).

Operational Challenges

Agent retention came up again when respondents identified the primary challenges faced in managing contact center operations. Retaining agents and employees was the number one issue (47%), closely followed by keeping remote agents and employees productive at 46% (Figure 19).

**What are the primary challenges you face in managing your contact center operations?
(Select all that apply.)**

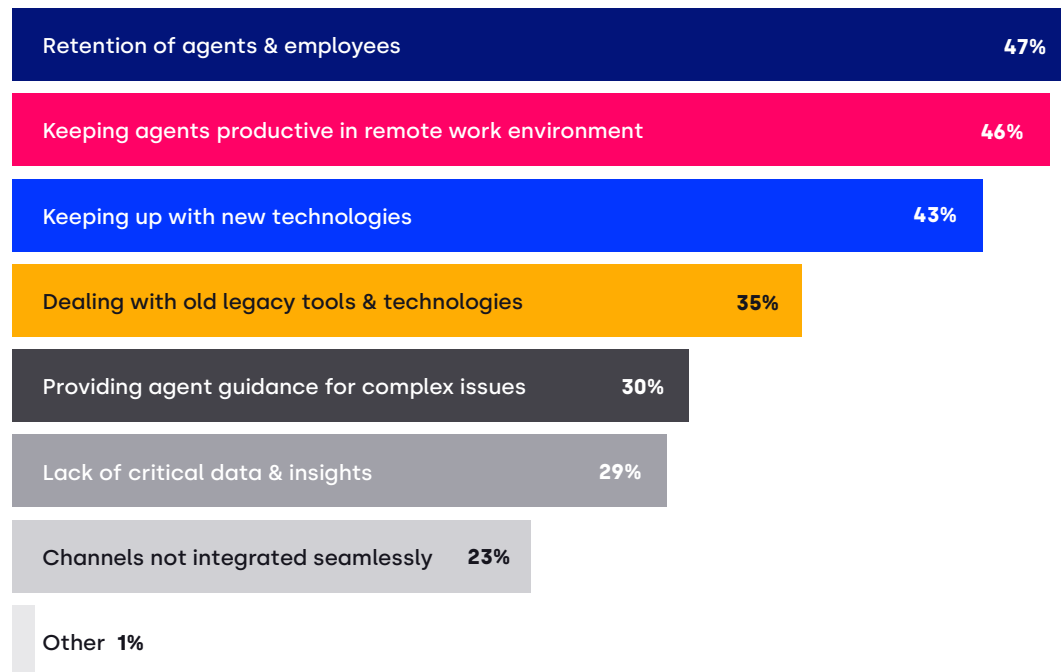


Figure 19: Respondents cite multiple issues affecting the management of their contact centers.

Retention of agents and employees is a greater challenge for larger businesses: 52% of respondents from companies with more than 2,500 employees report retention as a primary challenge. In contrast, 40% of decision-makers from businesses with fewer than 2,500 employees report the same.

Contact Center Effectiveness

Improving and enhancing contact center effectiveness is an ongoing battle. Ensuring customer satisfaction takes effort, with a variety of tools to help improve contact center metrics and key performance indicators (KPIs). When asked "what customer enablement strategies have you deployed over the past 24 months?", more than half of BDMs report that they've provided an online customer community/forum to help customers share and access information (55%). Almost half (48%) added self-service resources such as FAQs, blog posts, and the like while one-third added an NPS survey. Surprisingly, 16% have neither deployed nor added any of these tools.

What customer enablement strategies have you deployed over the past 24 months? (Select all that apply.)

- Added an NPS survey
- Now provide an online customer/community forum
- Added self-service resources such as FAQ, blog posts
- Other
- No changes

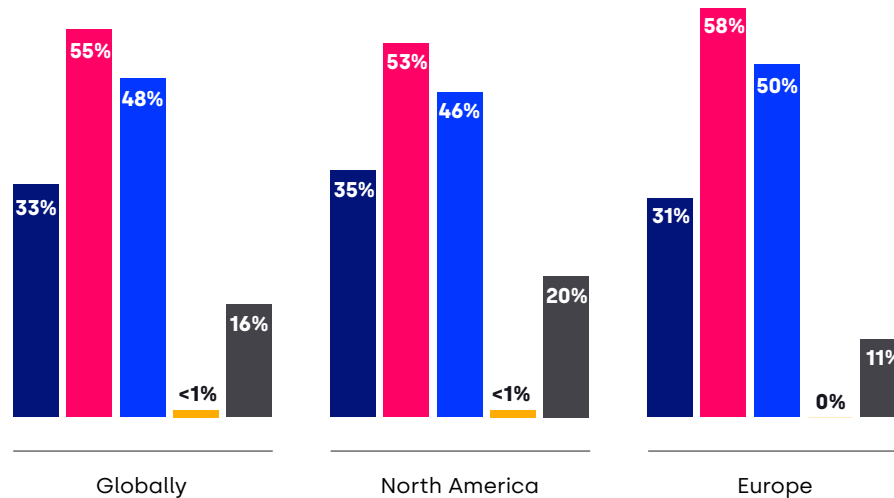


Figure 20: Respondents deployed several customer enablement strategies over the past 24 months with similar prioritization.

Having an online customer community forum is especially common for U.K. organizations, with 72% reporting that they've deployed this strategy over the past 24 months.



Collecting Metrics

Metrics are an important part of contact center operations as they measure agent and team performance and/or identify areas of improvement. Customer satisfaction (CSAT) scores are the most common metric for contact center effectiveness, used by 64% of the respondents (Figure 22).

**What metrics do you gather to monitor the effectiveness of your contact center?
(Select all that apply.)**

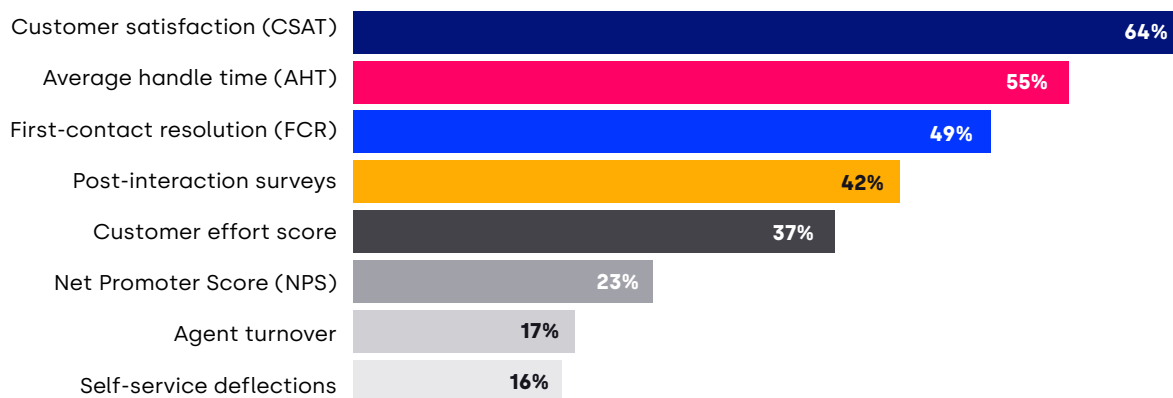


Figure 21: Use of CSAT as the primary measure is consistent across countries surveyed (66% North America, 62% Europe), followed by AHT at 55% across all geographies. FCR (54%, 43%) and post-interaction surveys (40%, 45%) are also common for monitoring effectiveness.

Expect to see the prioritization of metrics continue to change. For instance, as customer interactions become more complex with bots and self-service options addressing routine interactions, solving customer issues will take precedence over average handle time.

Respondents also weighed in on how the metrics they've gathered have changed in the past two years. The majority of respondents noted they increased focus on agent productivity/retention measurement (65%), while 42% increased focus on CX/CSAT measurement, and 26% increased focus on channel measurement. Only 15% experienced no change.

How have the metrics you gather changed in the past two years? (Select all that apply.)

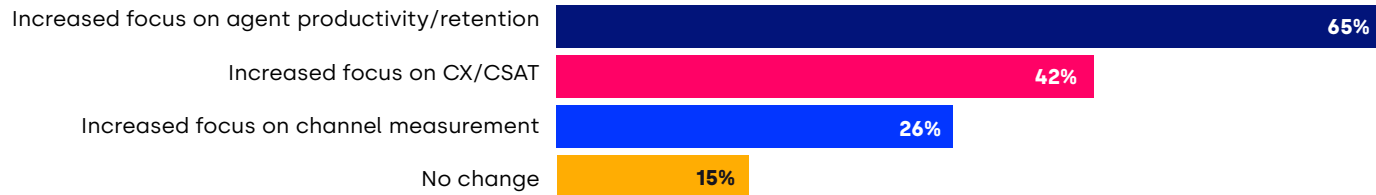


Figure 22: Organizations have increased focus on agent productivity and retention in the past two years.

Many respondents report changing the way in which they're measuring CSAT over the past 12 months. Globally, 45% revised the questions they are asking, 38% started following up with customers who provided positive responses, 36% modified the frequency of customer satisfaction surveys, and 24% initiated follow-up with customers who provided negative responses. North American and European numbers are, once again, similar (Figure 23).

Have you changed in the past 24 months how you measure customer satisfaction? (Select all that apply.)

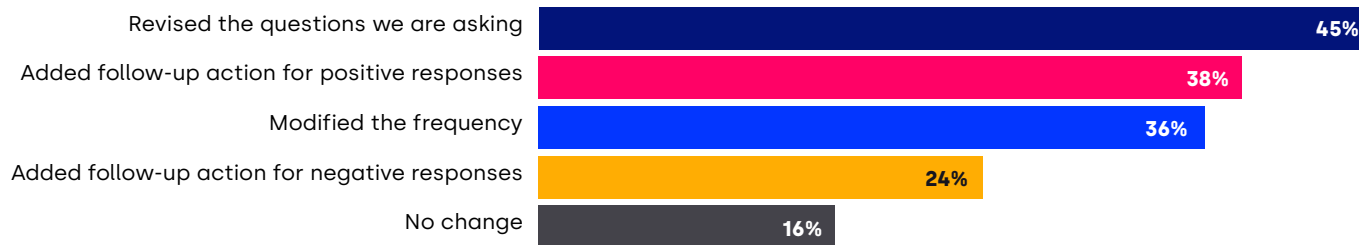


Figure 23: Likewise, whether positive or negative, more organizations have added follow-up action as part of their CSAT strategies.



Looking Forward

Lastly, Zogby asked respondents about their key focus areas and top priorities for the next 12 months. As expected, improving customer experience ranked highest at 53%, followed by reducing agent/employee turnover (50%). AI and automation to assist agents and introducing conversational AI tools for self-service each represented 44%, followed by decreasing operational costs (38%).

What are your key focus areas and top priorities for the next 12 months? (Select all that apply.)



Figure 24: Respondents share similar priorities for where they intend to focus their efforts in the next 12 months.

Improving the customer experience is the top priority for the next 12 months across the board (53% globally; 58% North America, 47% Europe). Although emphasis varies, the ranking of priorities remains the same across regions: reducing agent/employee turnover (50%), AI and automation to assist agents (44%), introducing conversational AI tools for self-service (44%), and decreasing operational costs (38%).

More differentiation exists at the individual country level. Employing AI and automation to assist agents ranks as the highest priority in Italy and Spain (56%), more than 10 points higher than other countries. Meanwhile, Italy (51%), France (51%), and Germany (48%) lead the way in prioritizing conversational AI tools, with significantly less interest in Spain at 33% and Canada at 37%.

It's important to note that reducing operational costs is no longer a top priority for contact centers as BDMs recognize the importance of improving the experiences for both customers and agents. Rather than trying to cut costs, BDMs are investing in providing tools to assist agents and provide more self-service options for customers.

Recommendations & Next Steps

Consider deploying self-service and AI technologies to offload some of the basic, routine inquiries, while providing agents with AI-based assistance to help them work more effectively.

- Consider deploying self-service and AI technologies to offload some of the basic, routine inquiries, while providing agents with AI-based assistance to help them work more effectively. With the need to handle increases in both volume and interaction channels—while providing more empathy and emotional intelligence in dealing with more complex inquiries—the contemporary agent's job has become much more challenging.
- Examine which digital channels will best meet your customers' needs. You may want to start with web chat, followed by one or two messaging channels then gradually add more. At the same time, always ensure that customers can reach a live agent when needed—don't downplay the role of voice, even as digital interactions are on the rise.
- Identify how to enhance your customer self-service capabilities and the types of interactions that it can fully handle.
- Consider how to start using AI in a practical way. Be sure to focus on your goals such as shorter hold times, enhanced self-service capabilities, call deflection, and such. Most importantly, identify the best use cases to start with: Start small, and gradually add more use cases.
- Identify several ways your organization can leverage AI technologies. AI encompasses a wide range of tools and technologies, including agent- and customer-facing tools. Consider starting with agent assist tools behind the scenes before rolling out customer-facing tools such as AI-based chatbots. Don't rush to deploy AI just because it's a new shiny object.



- Focus on the agent experience. While the survey shows that many organizations have spent more time and attention on agent/employee experience and engagement, this is not true across all verticals. As much as possible, offer employees flexibility and various work options, including full-time work-from-home if necessary.
- Identify ways to enhance the agent experience such as deploying a unified agent desktop, and start getting creative with gamification, AI for agent assistance, access to SMEs, and other options.
- Consider ways to improve employee experience—address compensation, challenge customer pain points, create attractive career paths, implement systems that leverage efficiency, train and coach employees, standardize remote work policies, and develop clear success measures. While technology isn't the answer to everything related to agent turnover, it can help provide the tools that agents need to be more effective, address more complex customer issues, and create access to effective training and coaching.
- Consider deploying customer-enablement strategies such as online customer communities/forums, self-service resources such as FAQs and blog posts, and NPS surveys to improve on customer experience.
- Evaluate and implement metrics and KPIs that you may not be currently using such as CSAT, AHT, FCR, customer effort, NPS, agent turnover, and self-service deflections.



Conclusion

By focusing on both the agent/employee experience and the customer experience, you can enhance customer loyalty and satisfaction, leading to increased revenues.

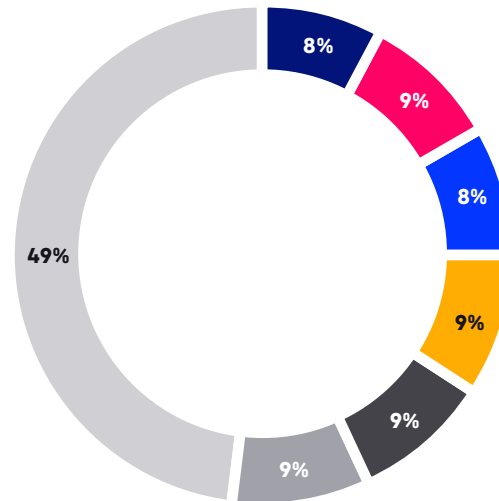
It's clear that organizations need to provide omnichannel, AI- and self-service-enabled experiences for customers while providing the tools that agents need to work as effectively as possible. If you find yourself outside of the mainstream of BDMs on customer service topics, it may be time for you to pay more attention to this critical area of your business.

By focusing on both the agent/employee experience and the customer experience, you can enhance customer loyalty and satisfaction, leading to increased revenues. By making customer service a priority, you can transform it into a revenue enabler for your enterprise.

If you want to learn more about how to digitally transform your customer engagement function and seamlessly integrate it into your existing CRM tools, talk with Five9 and our partners. We can help identify technology best practices, ways to get started with AI, practical use cases, and options to improve your contact center operations.

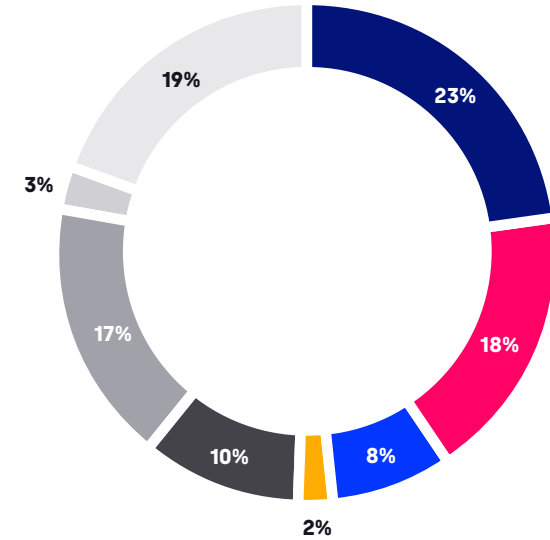
If you'd like more information about this survey, more information about Five9, or more information about our Customer Service Index, please contact us at customerIndex@Five9.com.

Survey Overview & Methodology



- Canada
- France
- Germany
- Italy
- Spain
- United Kingdom
- United States

Where are the headquarters of your company located?

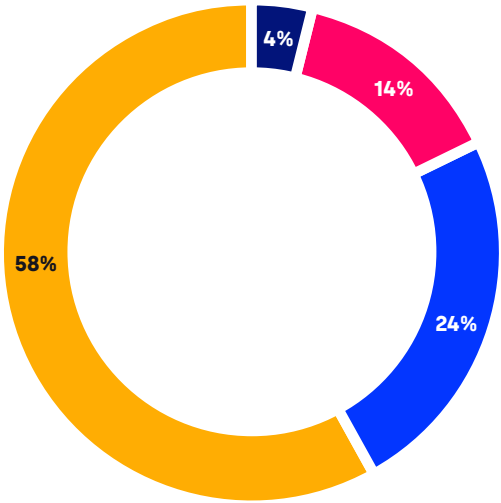


- Director
- CXO (any c-level officer)
- Administrator
- President
- Vice president
- Call center manager or supervisor
- Owner or partner
- Other company officers

Which of the following best describes your role within your organization?*

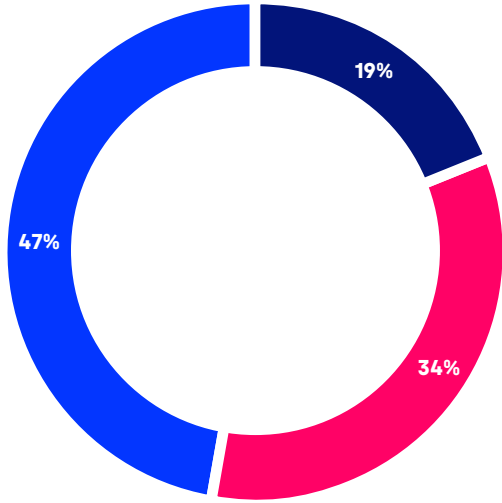
* Percentages may not equal 100 due to rounding. Other company officers include those who have decision-making responsibilities.

Survey Overview & Methodology



- 251-500
- 501-1,000
- 1,001-2,500
- 2,500+

Which of the following best describes the number of employees in your company?



- \$251M-\$500M
- \$501M-\$1B
- \$1B+

Which of the following best describes your organization's annual revenue?



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About Five9

Five9 is an industry-leading provider of cloud contact center solutions, bringing the power of cloud innovation to more than 2,500 customers worldwide and facilitating billions of customer engagements annually. Five9 provides end-to-end solutions with digital engagement, analytics, workforce optimization, and AI to increase agent productivity and deliver tangible business results. The Five9 platform is reliable, secure, compliant, and scalable. Designed to help customers reimagine their customer experience, the Five9 platform connects the contact center to the business while delivering exceptional customer experiences that build loyalty and trust.

For more information visit www.five9.com or call **1-800-553-8159**.

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