

CALABRIO™

State of the Contact Center 2022

EMPOWERING THE CONTACT
CENTER AS A BRAND GUARDIAN



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Validating Trends and Revealing Opportunities to Elevate the Brand Experience

The last 2 years of data from Calabrio's "State of the Contact Center" surveys track quite a ride—from the shutdowns and incredible disruptions of 2020 to the proactive move to the cloud in 2021.

While we might have been tempted to see that time period as anomalous, data analysts have a saying: **"One's a dot. Two's a line. Three's a trend."**

The "State of the Contact Center 2022" survey makes it clear that the defining themes of the pandemic are here to stay: Contact centers face rising expectations from consumers and growing demands from within the enterprise—all while managing unprecedented labor pressures that now represent the norm.

But this year, we went deeper. We surveyed both contact center managers and a broad range of consumers from around the world. Consumers'

perspectives provided meaningful validation to many contact center beliefs, assumptions, and priorities. Yet there were also areas where the view from within the contact center did not align with consumer perceptions.

These insights reveal opportunities to bridge gaps, improve performance, and elevate the brand experience. The most powerful finding we uncovered is this: Nearly 100% of consumers say contact center interactions impact their brand loyalty.

So, where do we go from here? This report outlines strategies as contact centers embrace a new paradigm defining success in 2022 and beyond: **Empowering the contact center as a brand guardian.**



State of the Contact Center 2022

SURVEY AUDIENCE

Calabrio surveyed 250 consumers and 250 contact center employees who are employed in a managerial role. The goal was to understand key expectations, perceptions, and beliefs around contact center experiences—and to test them against consumer perspectives to identify consensus and reveal gaps.

Survey Audience

250 CONSUMERS

- 12% Gen Z (18-24)
- 41% Millennial (25-40)
- 28% Gen X (41-56)
- 19% Boomer (57+)

MANAGER TITLES

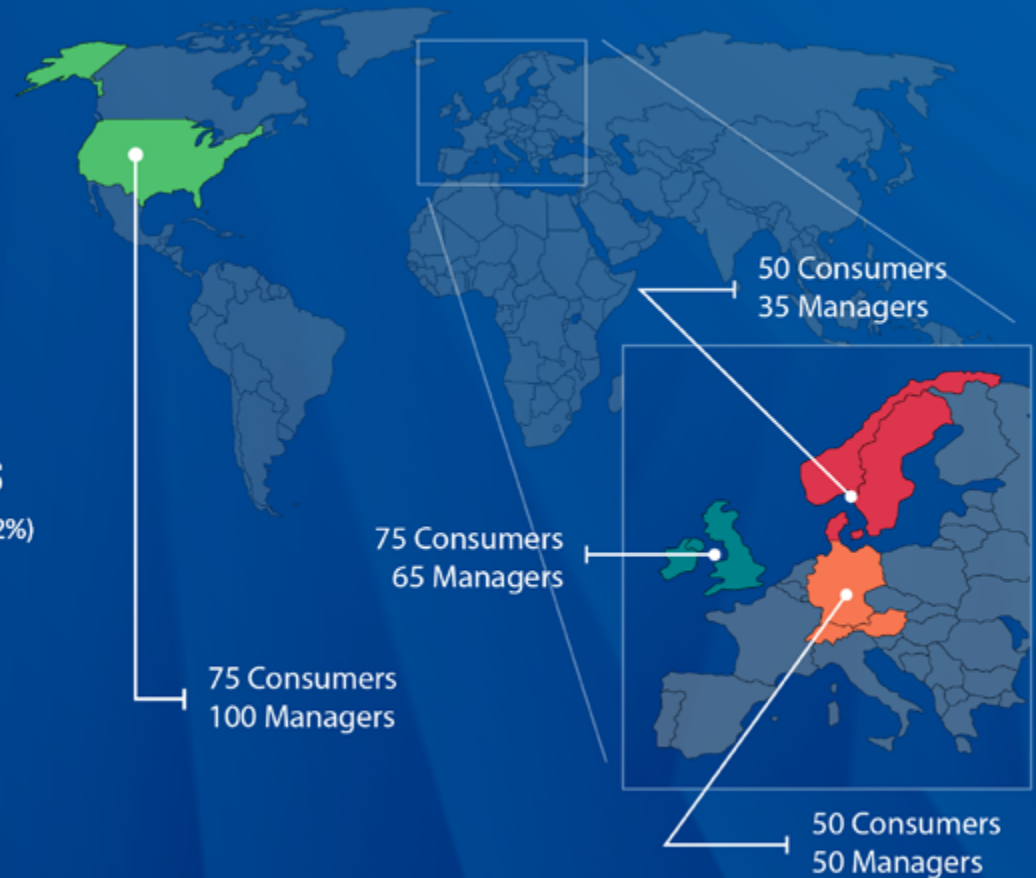
- Head of Call Center
- CC Manager
- Customer Services Director
- Reporting/Analytics Manager
- Quality Manager
- Team Leader
- Operations Manager
- Workforce Manager
- Trainer/Coach

250 MANAGERS

- 38% Gen Z (18-24)
- 60% Millennial (25-40)
- 2% Boomer (57+)

MANAGER INDUSTRIES

- Financial Services/Banking (32%)
- Retail/Apparel (24%)
- Healthcare (17%)
- Utilities (Internet, Electricity, etc.) (14%)
- BPO/Outsourcing (10%)
- Airlines (2%)



KEY INSIGHT #1

The contact center drives brand experience and revenue.

Our survey findings define rising expectations, key barriers, and major opportunities for contact centers. This first insight directly answers the question of why they matter more than ever for brands.

In 2020, contact center managers told us the pandemic made the contact center more important to brand loyalty. This year, we see just how much more important: Nearly 100% of consumers say the contact center is very impactful on brand loyalty. With 75% of consumers now making decisions based on brand loyalty and brand experience alone, that importance goes to another level.¹ Most contact center managers—9 in 10—see the connection: Contact center experience influences brand loyalty, which drives revenue growth.

¹Forbes & Arm Treasure Data



THE CONTACT CENTER IS THE CORE OF BRAND EXPERIENCE.

97%

of consumers say contact center interactions impact their brand loyalty.

2 IN 3

say they're very or extremely impactful.

HALF

of consumers say they're having more first-time digital interactions with brands than a year ago.

98%

of contact center managers say contact center interactions are very (or extremely) impactful on brand loyalty.

88%

agree that brand perception directly drives overall revenue growth.

KEY INSIGHT #2

Consumers expect more and forgive less.

This year's survey confirms what we've all sensed: Consumer expectations keep rising. What's striking is that there are no trade-offs. Consumers want more, better, and faster. They want channels to choose from—and agents there when

they want them. They want faster responses to more difficult problems—and a shoulder to cry on. Personalization is no longer a standout feature; it's the baseline standard. Anything less hurts brand loyalty.

CONSUMER EXPECTATIONS CONTINUE RISING—ACROSS THE BOARD.

% of contact center managers that think customer expectations have increased.

- 45%** More Complex Needs/Questions
- 46%** Greater Need to Feel Heard
- 50%** Expect Quicker Response Times
- 50%** Expectations from Multiple Channels (Chat, Email, Self-Service, etc.)
- 51%** Expect More Human Agent Availability (Over Bots/Self-Service)

Personalization moves from standout to standard.

- HALF** of consumers now expect to be recognized across channels and touchpoints.
- 74%** say feeling known by agents, across channels, increases brand loyalty.
- 2 IN 3** say repeating information is an automatic negative experience.

KEY INSIGHT #3

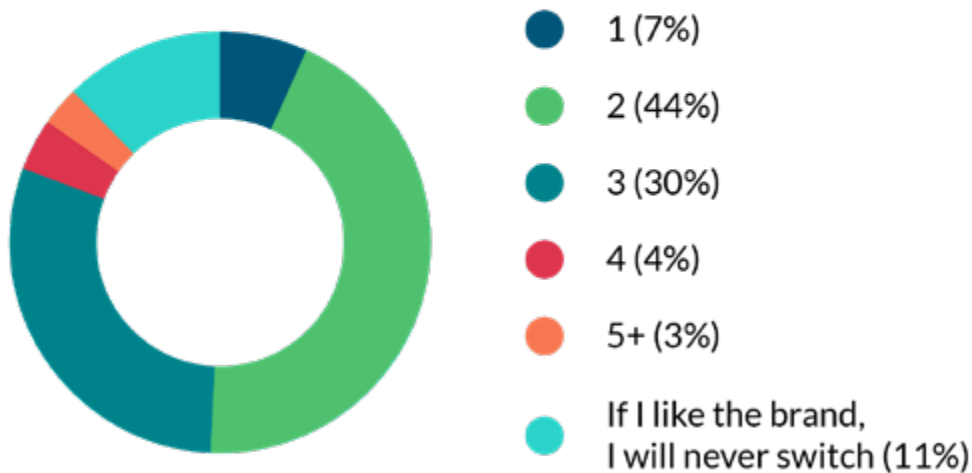
Loyalty is fleeting. Bad experiences have big impacts.

It's easier than ever for consumers to switch allegiances—often with a few taps on their smartphones. So, it's no surprise that the trend of fleeting loyalty continues: Most consumers will give brands a second chance. But the majority will leave brand after 2 bad service experiences.

But here's what should really worry contact center and CX leaders: A single negative experience significantly taints consumers' perceptions across future interactions. Consumers with a recent negative experience were less than half as likely to say contact centers were doing a good job in any category. In other words, recency bias is powerful—and it's hard to recover once you've lost a consumer's confidence.

BRANDS GET ONE SECOND CHANCE—**BUT NOT MUCH MORE.**

Approximately how many negative customer service interactions will you allow before switching to another brand?



3 IN 5

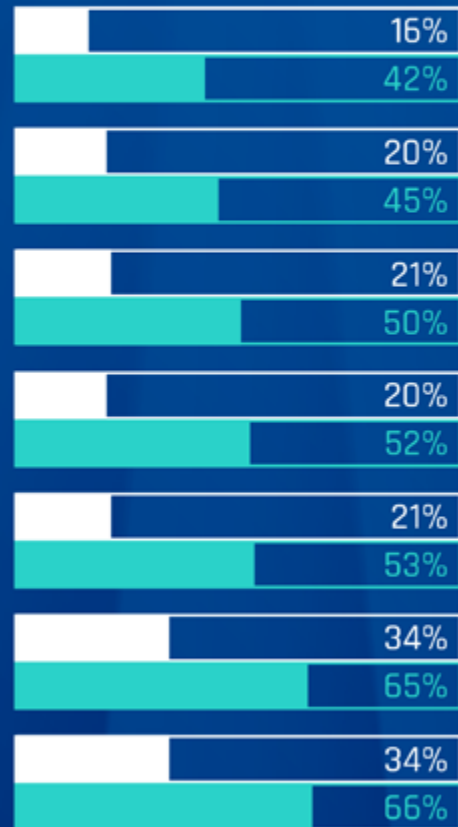
consumers say they've switched brands due to negative contact center experiences (60%).

ONE BAD EXPERIENCE SPOILS THE REST.

Consumers with a recent negative contact center experience are:

- 48% less likely to say agents are helpful
- 48% less likely to say agents are friendly and empathetic
- 60% less likely to say their issues are quickly resolved by the agent
- 62% less likely to say they feel heard and understood by the agent
- 58% more likely to report that agents seem stressed
- 56% less likely to be satisfied with communication channels offered
- 62% less likely to say it's easy to get in touch with an agent to resolve issues
- 61% more likely to say that a siloed contact center hurts the CX

Consumer satisfaction with aspects of the contact center experience.



It's easy to get in touch with an agent to resolve issues.

Multiple channels of communication are offered.

Agents are calm and easy-going.

I feel heard and understood by the agent.

Issues are quickly resolved by the agent.

Agents are friendly and empathetic.

Agents are helpful.

● Consumers with recent negative experiences

● All consumers

INSIGHT IN ACTION

Fill gaps in customer service delivery.

Contact centers can't take customer loyalty for granted. Any interaction could be the make-or-break moment for brand loyalty. Consumers said the following were least present in their recent contact center interactions:

- Ease of getting in touch with an agent
- Multiple channels to engage with
- Agents that are calm and easygoing in their customer interactions

Individual contact centers must identify what customers are missing from their brand engagements. That means using sophisticated analytics to glean customer insights and sharing those insights across the company.

But the buck doesn't stop with better tech usage. Contact centers need to make dual investments in technology and their people to deliver better customer experiences. Consumers can tell when an agent is stressed, which makes it difficult to offer the seamless experience that's expected. Contact centers must determine which factors are contributing to agent stress and find tangible ways to reduce them. Otherwise, they'll be faced with high attrition rates, negative customer interactions, and withering brand loyalty.



KEY INSIGHT #4

Contact centers think they're doing great. Consumers disagree.

Contact center managers see consumer expectations rising. And they recognize how important each interaction is for brand experience. But here's the problem: Contact centers rate their performance a lot higher than consumers do.

Our survey showed a 30+ point gap between consumer and manager perceptions across every facet of the customer experience. Roughly 80% of contact center managers think they're doing a great job in every category. But the majority of consumers gave contact centers below-average grades.

The biggest gaps follow the dichotomy of consumer expectations: Consumers want better choice of channels—and they want better availability of human agents that can make them feel heard and understood.

THERE ARE MAJOR GAPS BETWEEN CONSUMER AND CONTACT CENTER PERCEPTIONS.

Is the contact center meeting customer expectations in these areas?



INSIGHT IN ACTION

Contact centers need real-time performance visibility.

To meet rising consumer expectations—and close the gaps in perceived performance—contact centers need to be gathering and activating real-time performance data.

Quarterly, monthly or even weekly performance reporting is no longer enough to keep up with dynamic consumer demands. They need to leverage predictive scoring to score every single interaction, instantly.

That performance measurement needs to go deeper than average handle time, first-call resolution, and net promoter score. Contact centers need to use the voice of the customer (VoC) to get a more precise and nuanced understanding of agent performance. They need tools like sentiment analysis to better understand context—so they can identify pain points in the customer experience that may fall outside of traditional metrics.

Clearly, managers and leaders need to be monitoring these performance insights to identify where and how they need to drive improvement. But contact centers should engage and empower their agents with full transparency into these performance insights. Leading workforce engagement solutions make it easy and intuitive for agents to get a snapshot of how they're doing and use automated coaching and gamification to guide and motivate improvement.

[WATCH VIDEO ON PERFORMANCE MANAGEMENT](#)



KEY INSIGHT #5

Consumers want people—not tech—driving brand experience.

No one's shocked to hear consumers want faster service and quicker resolutions. We're all living in the same world of tech-enabled instant gratification. But consumers also made it clear that speedy self-service tech isn't replacing the human agent. In fact, consumers said the human element remains the most critical factor in brand experience.

Consumers still prefer human-driven channels like phone, email, and chat. They expect a real, live, human agent to be available when they want one. And they prioritize emotional benefits over functional ones. Their biggest sources of frustration center on human experiences that fall short of expectations for personalization and empathy.

CONSUMERS PREFER HUMAN-CENTERED CHANNELS—AND PRIORITIZE EMOTIONAL BENEFITS.

Consumers' top preferred channels:

- 1 Phone
- 2 Website
- 3 Email
- 4 Chat

Top three reasons for bad contact center experiences:

- 1 Unfriendly Agents
- 2 Not Feeling Heard/Understood
- 3 Repeating Information

KEY INSIGHT #6

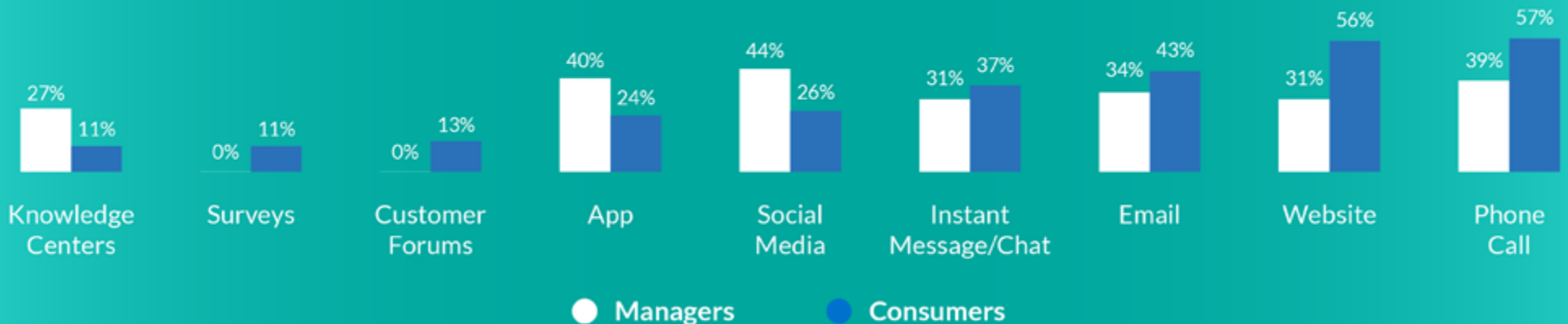
Contact centers need to refocus on human-driven channels.

Contact center managers see consumers demanding more agent availability and greater empathy and emotional support. But there's a major disconnect: Managers' rankings of channel importance are nearly the exact opposite of consumers. Managers greatly overestimate the importance of innovative

channels like apps, social media, and self-service knowledge centers—and don't recognize just how important traditional channels like phone and email still are to consumers.

CONTACT CENTERS PRIORITIZE THE WRONG CHANNELS.

Which channels are the most important in influencing customer perceptions of a brand?



INSIGHT IN ACTION

Invest in tech to support—not replace—human experiences.

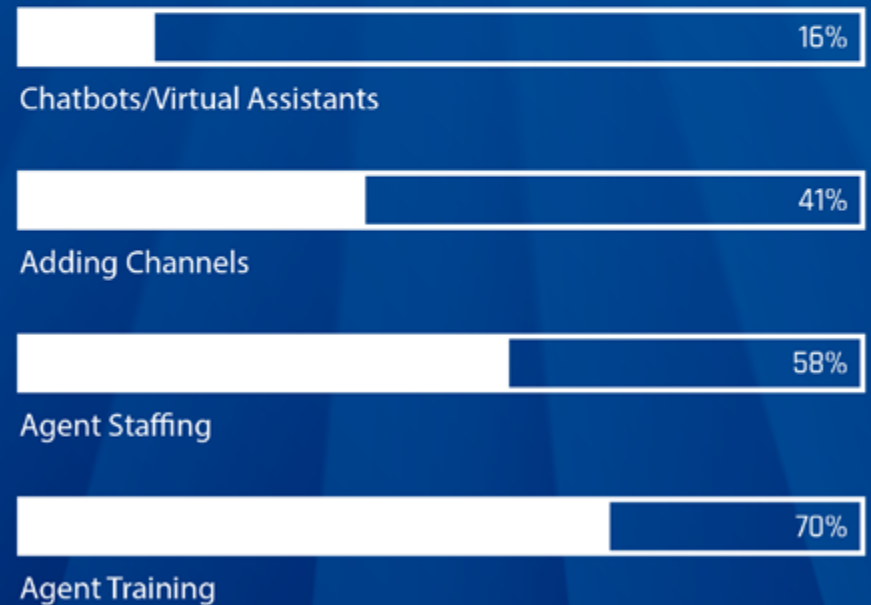
Chatbots and virtual assistants still have the shine of a cool new technology. Contact centers need to offer these modern channels—and they cannot ignore the labor efficiencies of tech-driven interactions. But contact centers need to continue focusing on phone and email—and ensure they're connecting website data back to the contact center.

Consumers go even further, overwhelmingly saying contact centers should prioritize improving agent training and filling staffing gaps over adding communication channels or tech like chatbots or virtual assistants.

But tech does play an important role in enabling better human-driven experiences. Empowering agents with omnichannel customer visibility and predictive analytics insights for proactive service leads to better interactions. Analytics-driven workforce engagement and coaching tools can dramatically improve training and enhance both recruitment and retention. The strategy here is leveraging tech to support—not replace—the human experience.

[READ GUIDE ON PERFORMANCE COACHING](#)

Where should the contact center invest to improve CX?



KEY INSIGHT #7

Agents should be empowered brand guardians.

Consumers know they're demanding a lot. They also know the brunt of those expectations fall on agents' shoulders. And they think it's time that contact centers elevate the agent role beyond that of an interchangeable service worker. Of the consumers surveyed, 4 in 5 say organizations should treat their agents as brand guardians, empowering them with the tools and information they need to meet higher expectations.

But there's a big gap in bringing that elevated role to life. A whopping 9 in 10 contact center managers think they're already treating their agents as brand guardians. That's clearly not coming through in customer experiences, as just 1 in 3 consumers say agents are effective brand guardians today.

Consumers aren't ignorant to the challenges contact centers are facing, however. They rightly point to training and staffing as major challenges. And they call out low pay as a likely barrier to agents delivering better service.

AGENTS ARE THOUGHT OF AS BRAND GUARDIANS—BUT FACE BARRIERS TO IMPROVE.

83% of consumers say organizations should treat contact center agents as brand guardians.

9 IN 10 contact center managers say they already treat agents as brand guardians.

ONLY 1 IN 3 consumers say that agents are effective brand guardians today.

Biggest barriers to better agent service, according to consumers:

- 1** Inadequate Agent Training
- 2** Staffing Struggles
- 3** Low Pay

KEY INSIGHT #8

Agent stress erodes brand experiences.

This is the inherent challenge with the experiences that consumers crave: Humans are more complex than even the most advanced technologies. There are more factors contributing to the success or failure of human agents—and some of those factors are largely beyond the organization's control.

We're all feeling that more acutely than ever with ongoing and unprecedented labor challenges. Nearly every contact center is struggling to hire and retain staff. They're watching labor costs grow. And they're navigating the new world where

hybrid and remote work models are the norm. These aren't just operational headaches, and they don't just affect the bottom line. Contact center managers widely agree that labor challenges are starting to impact brand experience.

The biggest problem: The toxic effect of agent stress on customer interactions and brand perceptions. It may not yet be obvious to consumers, **but 9 in 10 managers say agent stress is already bringing down CSAT scores.**



EX CHALLENGES CAUSE CX DAMAGE.

83% of contact center managers say labor challenges have impacted brand experience for their customers.

1 IN 3 consumers say they've noticed agents are more stressed than a year ago.

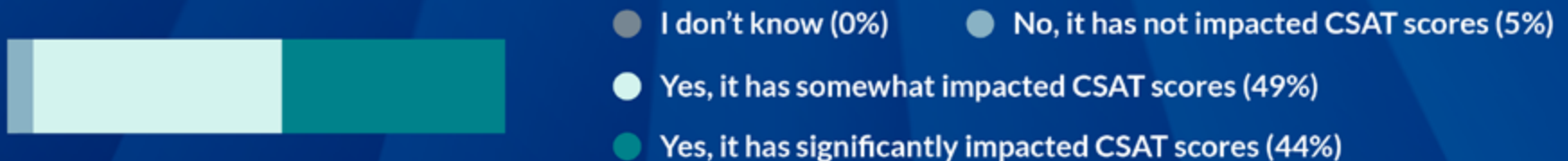
93% of contact center managers say agent stress is already impacting CSAT scores.

Managers' top-ranked labor challenges include:

- 1 Agent Stress/Burnout
- 2 Remote/Hybrid Work Models
- 3 High Attrition/Turnover

Agent stress directly impacts the top factors in negative consumer experiences: unfriendly agents + poor agent empathy.

Have you noticed agent stress impacting CSAT scores?



CONTACT CENTERS ARE FOCUSING ON—AND INVESTING IN—BETTER TRAINING.

96% of contact center managers say they're prioritizing agent upskilling.

Top investments to empower agents:

- 1 Better tools & technology
- 2 Enhancing analytics insights
- 3 Improving coaching & development

What resources do you/your contact center need to successfully coach agents that you are currently lacking?

- | | | | |
|-----|---|-----|------------------------------|
| 20% | Regular one-on-one meetings between agents and managers | 49% | Access to data and analytics |
| 32% | Better onboarding for agents | 49% | Better training for agents |
| 36% | Better tools and technology | 54% | Increased budget |
| 44% | Management training | | |

INSIGHT IN ACTION

Money doesn't solve everything. Agents need better training and tools.

In our agent wellbeing report from fall 2021, just 18% of agents said higher pay is their reason for leaving. Instead, frustrations center around lack of support, with 4 in 5 agents stating that “lack of tools” or “lack of data” were the primary reasons they struggle to resolve customer issues. Even consumers are onto this, ranking pay below training among barriers to better CX.

The good news is that most contact centers are already on the right track. They universally recognize the need for upskilling to resolve complex issues. They're making investments in AI-powered tools and embedded analytics to empower agents with customer insights. And they're implementing coaching and development tools, including sophisticated workforce maximization solutions, to enhance agent training and keep agents feeling supported, engaged, and motivated.

KEY INSIGHT #9


Data silos hold back analytics' value for brand improvements.

Analytics tools present puzzling contradictions in managers' survey responses. On the one hand, 83% say they already have the analytics tools they need. On the other, less than half of contact center managers say they're seeing benefits from analytics, AI, and machine learning (ML) technologies.


Here's the insight that resolves this discrepancy: Data silos are a big problem according to 4 in 5 managers. Along with that, half say they need better access to data and analytics to empower agents.

In other words, many contact centers now have analytics tools in place. But they're not seeing the value they should because siloed data is limiting what the tools can tell them. The real potential in analytics, AI, and ML lies in their ability to find the patterns and insights in huge quantities of seemingly unrelated data. But you'll never realize that potential if you don't connect those data streams.

WHY AREN'T CONTACT CENTERS REALIZING ANALYTICS VALUE?

 **83%** of contact center managers say they have the analytical problem-solving tools they need already.

LESS THAN HALF of managers say they're seeing benefits from analytics, AI, and ML.

 **39%** say analytics has improved agent performance.

 **45%** say analytics has improved customer satisfaction.

 **46%** say analytics has improved operational efficiency.

80% of contact center managers say there are barriers between the contact center and the rest of the organization.

71% of consumers recognize these data silos through their contact center experiences.

INSIGHT IN ACTION

Make the contact center the hub of customer data. Then put your analytics tools to work.

The survey shows everyone knows data silos are a problem. The sticking point: Where to start. Organizations need to define a central hub where the data pipelines will lead. But every enterprise system and platform today—CRM, ERP, eCommerce, etc.—now makes the claim that it should be your single source of truth.

With every brand today driving toward greater customer-centricity, the goal of data integration is 360° customer visibility. That makes the contact center—the biggest source of VOC data and insights—the natural hub for customer-centric business intelligence.

Not all contact center platforms are built to handle the demands of this centralized hub role, however. Organizations need pre-built

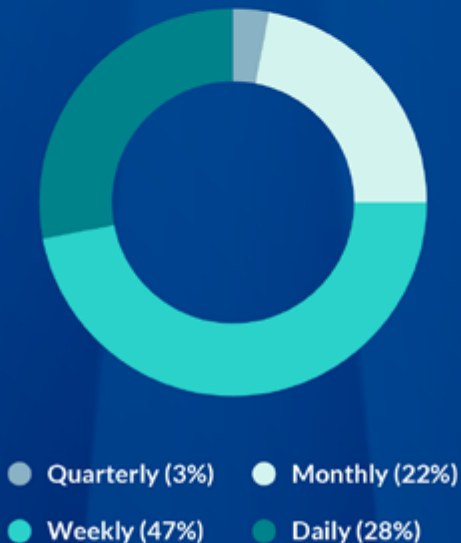
connectors and easy custom integration to build those seamless data pipelines from across the enterprise. And they need the AI and ML-powered analytics tools to surface the complex connections, patterns and insights buried within that huge pool of data.

Perhaps even more importantly, contact centers need to recognize that analytics tools are just that: tools. Even the most user-friendly tools do require intentional application. As they build a centralized customer intelligence hub within the contact center, brands need to be pointing their analytics tools at key challenges and goals—and asking the right questions to allow analytics to uncover meaningful, actionable answers.



BRAND INSIGHTS AREN'T LEAVING THE CONTACT CENTER.

How frequently does your contact center typically share data/insights with other teams in the organization?



KEY INSIGHT #10

Data pipelines need to go both ways to be effective.

Past years' surveys show contact center managers are getting more and more requests from across the enterprise for custom reporting and analytics insights—especially from marketing. But therein lies the problem: Insights are largely still shared on an ad hoc basis—only when requested. This year's survey showed less than a third of contact centers share insights daily. Most do it just weekly or monthly.

In today's dynamic business environment, that's just not enough. Conditions change rapidly, and the first hints of these changes often show up in the voice of the customer. Every team in the organization needs to be empowered with up-to-date customer intelligence.

As they break down data silos, contact centers need to ensure their data pipelines aren't dead-ends. Automated reporting should be integrated within workflows and decision-making processes across the organization.

INSIGHT IN ACTION

The contact center will drive the next generation of marketing.

Marketing teams were the first to become regular users of contact center analytics insights. But the relationship between marketing and the contact center is about to get a lot tighter. The landmark shift toward data privacy is forcing marketing teams away from conventional strategies that rely on third-party data and device identifiers. Instead, brands' marketing strategies will need to run on first-party data—data that is willingly provided to a brand, directly from consumers. The biggest source of first-party data: the contact center.

The contact center is also where brands must show the “value exchange” to their customers: what the customer gets in return for their data. Brands must put first-party data into action to deliver hyper-personalized, hyper-relevant experiences that consumers will recognize as a worthy outcome of sharing their personal data.

To do this, contact centers need to focus on two capabilities:

- Making first-party data usable: Brands need analytics tools that can reliably convert raw first-party data (from voice interactions to CSAT surveys) into meaningful, actionable information. This includes essentials like high-quality voice-to-text analytics—but also more advanced capabilities like sentiment analytics that can focus attention where it matters most.
- Making first-party data shareable: Modern marketing needs more than monthly updates to maintain personalized experiences. Contact centers need to ensure first-party data is continuously flowing into marketing, sales, operations, and other teams to realize the full value.

READ GUIDE ON THE
CONNECTED ENTERPRISE

Where do you think contact center customer insights could have the biggest impact to improve operations or enhance brand success?



- Marketing (27%)
- IT (26%)
- Sales (16%)
- Finance (12%)
- Product (12%)
- Supply Chain (7%)

A FINAL CALL TO ACTION

It's time for the contact center to own brand experience.

With more and more of the customer journey taking place in the contact center—and those interactions now being essential to customer loyalty and business revenue—every organization needs to recognize the contact center's role as brand guardian. And every contact center leader needs to boldly take ownership over the brand experience.

With the torrent of VoC insights flowing in every day, the contact center needs to become the central source of truth for customer intelligence—the hub of data pipelines from every other system and team in the enterprise. Leaders need to focus on using the analytics tools they have—focusing them on key goals and business strategies to unlock the insights buried within that customer data. And most importantly, they need to pipe those insights back out to the rest of the

organization, activating them in customer-centric strategies—from marketing and sales to product development, supply chain, operations, and up to the C-suite.

Finally, amid all these tech-driven mandates, contact center leaders can't lose sight of a fundamental truth: You can't replace the human element.

Consumer demand for more human connection is crashing into unprecedented labor challenges and rising agent stress. But forward-thinking contact centers see a promising path forward: Equipping themselves with analytics, AI, and other smart technologies to become brand guardians that enable better agent engagement and more human connections.

Become a brand guardian today. Contact us.

CALABRIO™

FOR AGENTS | FOR BRANDS | FOR SUCCESS

Calabrio is a trusted ally to leading brands. The digital foundation of a customer-centric contact center, the Calabrio ONE workforce performance suite helps enrich and understand human interactions, empowering your contact center as a brand guardian. We maximize agent performance, exceed customer expectations, and boost workforce efficiency using connected data, AI-fueled analytics, automated workforce management and personalized coaching. Only Calabrio ONE unites workforce optimization (WFO), agent engagement and business intelligence solutions into a true-cloud, fully integrated suite that adapts to your business.

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