# Enghouse Interactive

# CCaaS: The Smart Way to Solve Customer-Facing BPO Challenges

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# CCaaS: The Smart Way to Solve Customer-Facing BPO Challenges

According to the latest CEM (customer experience management) research from Aberdeen, the top two themes keeping CEM executives up at night are:

1. Customers are empowered with a wealth of information on many competitive products and services (indicated by 50% of respondents) and

2. Customers expect consistent experiences across all channels (indicated by 32% of respondents).

These concerns weigh heavily on organizations, especially when it comes to making decisions about their contact centers, which play a critical role in the customer experience. Legacy contact centers have fallen out of favor with CEM managers as they recognize that today's consumers regularly communicate on multiple channels, from different devices and expect flexibility as well as a personalization of their interactions from the businesses they purchase products and services from. This sentiment is becoming especially evident in the contact center outsourcing industry, which has long been known for experiencing greater provider churn than other outsourced business processes. According to research from outsourcing consultancy Everest Group, the churn rate for contact center outsourcers increased from 33% three years ago to 50% in more recent years.

AS COMPANIES' OMNI-CHANNEL CUSTOMER EXPERIENCE DEMANDS INCREASE, SAVVY BPO (BUSINESS PROCESS OUTSOURCING) PROVIDERS ARE TURNING TO THE CLOUD TO PROVIDE FLEXIBLE AND SCALABLE CONTACT CENTER OFFERINGS.

So, the big questions are what is causing this growing dissatisfaction with outsourced contact centers and what can be done about it?

Discovering the underlying reason for the high churn rate is likely found in the greater expectations consumers have of their interactions with businesses. These higher expectations lead to an increased demand on contact center BPOs to meet the end customer's expectations and to provide the type of experience desired. Their clients are no longer content simply with lower costs; they want engagements that drive business outcomes. BPOs need to enable agents to more intelligently engage today's empowered customers and to offer an excellent experience to their clients' customers across all channels.

What Aberdeen found in common among businesses that were able to overcome the challenges impacting customer experience programs was their ability to leverage customer data to create a unified view of the customer. This is a vital capability as it provides all contact center agents with the complete picture of the customer, which makes it easier to deliver consistent messages across all channels. This is the first step in creating an omni-channel customer experience, which is defined as enabling the end customer to have a seamless sales or service experience with an agent via call, chat, or email from any device. BPO companies that get omni-channel right are more likely to achieve the ultimate balance of improving the customer experience; increasing revenue, customer retention, and operational excellence; and reducing costs.

Most BPO providers would agree with analysts about the importance of omni-channel and having a unified view of customer data across all communication channels and interactions between the customer and agent. Achieving this ideal in a legacy, on premise contact center environment, however, is incredibly challenging for many BPOs — until they understand what the cloud has to offer.

## How the Cloud is Improving Omni-Channel Contact Center Flexibility and Scalability

One way BPO providers are addressing the growing dissatisfaction with outsourced contact centers is by turning to the cloud for highly flexible, integrated and scalable contact center solutions. A broad set of contact center industry analysts report that cloud-based contact center seats have grown at impressive double-digit rates over the last several years. A strong indication that the adoption of the cloud model for contact center is here to stay comes with the predictions that in the next 3-5 years the growth rate of contact center as a service (CCaaS) will continue at 17% to 25% percent, while implementations of traditional on-premise systems will be anemic. What is equally impressive is that among those that have already made the move to cloud contact center solutions, more than 90% reported being satisfied, highly satisfied or completely satisfied with their decision.

DRIVEN BY A NUMBER OF BUSINESS BENEFITS INCLUDING FLEXIBLE AND SCALABLE CONTACT CENTERS THAT MORE EASILY MEET CHANGES IN THE BUSINESSES NEEDS THE ADOPTION OF CONTACT CENTER AS A SERVICE (CCAAS) IS PREDICTED TO GROW AT AND IMPRESSIVE 17% TO 25% THROUGH THE END OF THE DECADE.

While there are myriad reasons for a BPO to consider creating cloud-based solutions over traditional, premise solutions, two major reasons are flexibility and scalability. Many legacy premise-based contact center solutions simply cannot keep pace with a BPO's fluctuations in interaction volumes across their customer base as well as being able to adapt to changes within their contact center staff. In the traditional contact center model, a BPO has to decide up front how many agents it will need for the year, and it has to know its projected total call and interaction volume to effectively price its services. Once these numbers are locked in, it may be difficult to change those figures during lulls or spikes in business.

In a CCaaS environment, on the other hand, a BPO can easily remove or add agents and add new features and functions, effectively flexing to meet the changing needs of clients, without consuming IT resources on lengthy projects. Using a CCaaS platform provides the BPO an elastic and agile alternative to its legacy on-premise infrastructure, and it places less pressure on BPOs to have to predict the future.

## Multi-Tenancy: The Key to CCaaS' Ability to Deliver More for Less

A key differentiator with a cloud-based contact center solution is that it uses a multi-tenant architecture. Multi-tenancy allows a single instance of a software application to support multiple end-customers (i.e. tenants). Through virtual partitioning, each tenant retains its own data access and configuration parameters, while at the same time sharing CPU processing, memory, network infrastructure and data storage resources. Using shared resources creates efficiencies and economies of scale for the BPO's IT and operations resources both in day-to-day management and administration and especially during system updates. Unlike the old way of installing contact center software on individual machines and dealing with disruptive and high-touch maintenance processes, a unified multi-tenant contact center platform is operated across multiple end clients.

The net result of a BPO operating a cloud-based multi-tenant solution for delivering contact center services is that it provides a lower TCO (total cost of ownership) than a traditional contact center infrastructure:

- Ease in onboarding new clients as tenants on the platform.
- Agility to adapt to the client's changing business needs with little disruptions when agents are added or new channels, integrations or features are added.
- Operational efficiencies, especially during maintenance updates or software upgrades.

Through the use of Web Service APIs (application program interfaces), CCaaS offers several integration benefits to BPO providers, also. One example is the ability to integrate communication systems and contact center technologies (e.g. email, chat, videoconferencing), which is a key prerequisite for creating a true omni-channel experience. Additionally, BPO providers can use the same Web Service APIs to integrate their contact centers with their enterprise client's CRM, ERP and other business applications. Web-based agent and supervisor interfaces can be used to extend the solution to the client's management team, along with unified tools for reporting and agent management across all end-customer tenants.

A MULTI-TENANT CLOUD CONTACT CENTER PLATFORM ALLOWS A BPO TO OPERATE WITH A LOWER TCO, WITH OPERATIONAL EFFICIENCIES IN MANAGING, MAINTAINING AND ONBOARDING NEW CLIENTS MORE EASILY AND MORE QUICKLY.

Many BPOs find themselves in the predicament of having aging on-premise contact center infrastructure and high client turnover. They need to make much-needed technology refreshes, but multiple, lengthy and expensive upgrades to legacy contact center applications are not viable and short returns on investment are a must. A cloud-based CCaaS application platform is a smart choice that meets these needs with a lower IT resource investment and better long-term TCO. In addition to providing a unified, omni-channel customer experience, CCaaS enables BPOs to integrate their services with their customers' enterprise applications, adapt to changes in their clients' businesses and flex to changes in interaction types and volume. Empowered with contact center agility, the BPO can focus on providing additional business value and building stickier client relationships. As a result, client satisfaction increases and the end customer experience does, too — everybody wins.

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