



# Driving Revenue, Customer Loyalty, and Retention via a Modern Contact Center

**AUTHOR** **Keith Kirkpatrick**  
Research Director | The Futurum Group

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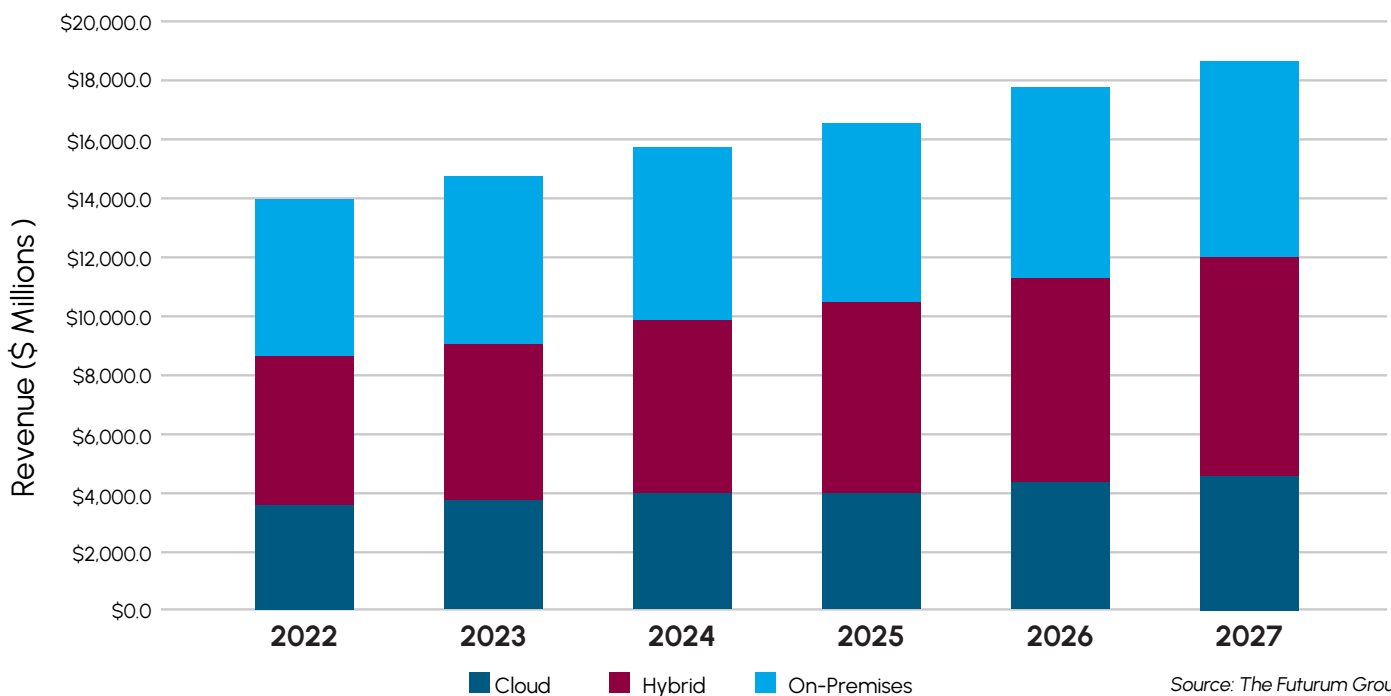
# Delivering Better Customer Experiences via Contact Center Enhancements

In an ideal world, contact centers would be set up to enable the pillars of good customer experience (CX)—knowing customers, understanding their journeys, and supporting engagement via the channel of any given customer’s choice—while also providing human agents with the tools and information that they need to work effectively and efficiently.

The unfortunate reality is that many organizations simply are not getting the most out of their contact centers. Under-supported and under-motivated agents, outdated processes and procedures, and under-powered and inflexible technology can be significant impediments to delivering a great experience, negatively affecting customer satisfaction and loyalty along with revenue generation.

That is why forward-thinking organizations are choosing to invest in contact center enhancements that enable more robust support for agents while improving overall efficiency, speed, and effectiveness of customer interactions. Research by The Futurum Group projects that contact center software and services spending will reach \$18.7 billion by 2027, up from \$13.9 billion in 2022, reflecting a compound annual growth rate (CAGR) of 6.1%. While on-premises-based contact center spending will reach \$6.7 billion by 2027, spending on cloud-based contact center (\$4.8 billion) and on hybrid on-premises/cloud deployments (\$7.1 billion) together will reach a total of nearly \$12 billion—almost double the on-premises figure—in annual spending by 2027.

**Contact Center Software and Services Revenue by Segment, World Markets: 2022-2027**



Such investments must be made smartly, with an eye toward enabling greater flexibility and scalability of operations. In addition, it is critical to provide more streamlined tools for workers and support for greater customer-facing and agent-utilized automation, powered by predictive and generative AI technology. Applying these priorities to any contact center modernization project ensures that the financial investment delivers returns for years to come.

# Why Many Contact Centers Fail to Deliver Results

A call center has traditionally been a business center wherein numerous live agents provide customer service, primarily by telephone. Today's customers, equipped with smartphones and tablets with reliable, always-on internet connections, often prefer to connect with organizations not solely through voice, but also via SMS (texting), mobile apps, social media, and websites, among other ways. These customers are far less willing to engage with companies that are unwilling to meet them on their terms or schedules, and they will seek out other options that are more flexible and responsive to their needs.

Contact centers often fail to meet customer expectations in a few key ways:

- They do not support the ability to triage inquiries, thereby increasing both wait times and customer frustration.
- They support only a limited number of communication channels, such as voice or email, instead of supporting web chat, SMS, social media, and messaging apps, and they are unable to allow customers to seamlessly switch channels with no loss of continuity.
- They support only inbound inquiries instead of proactively reaching out to customers based on actions taken by the customer that should be captured within a customer data platform (CDP) or customer relationship management (CRM) system and then linked to a contact center platform for more dynamic interactions.
- They make it difficult for agents to access and retrieve relevant customer information, regardless of location, due to the presence of data silos and poorly designed data integration.
- They are unable to quickly escalate/transfer communications from an automated system to a human or to route the inquiry to the appropriate support or sales teams given the nature of the inquiry—even if it changes during the interaction.
- They lack the underlying systems, processes, tools, and interfaces to properly support live agents, thereby increasing agent frustration, job dissatisfaction, and burnout rates, driving down agent retention and acquisition rates.

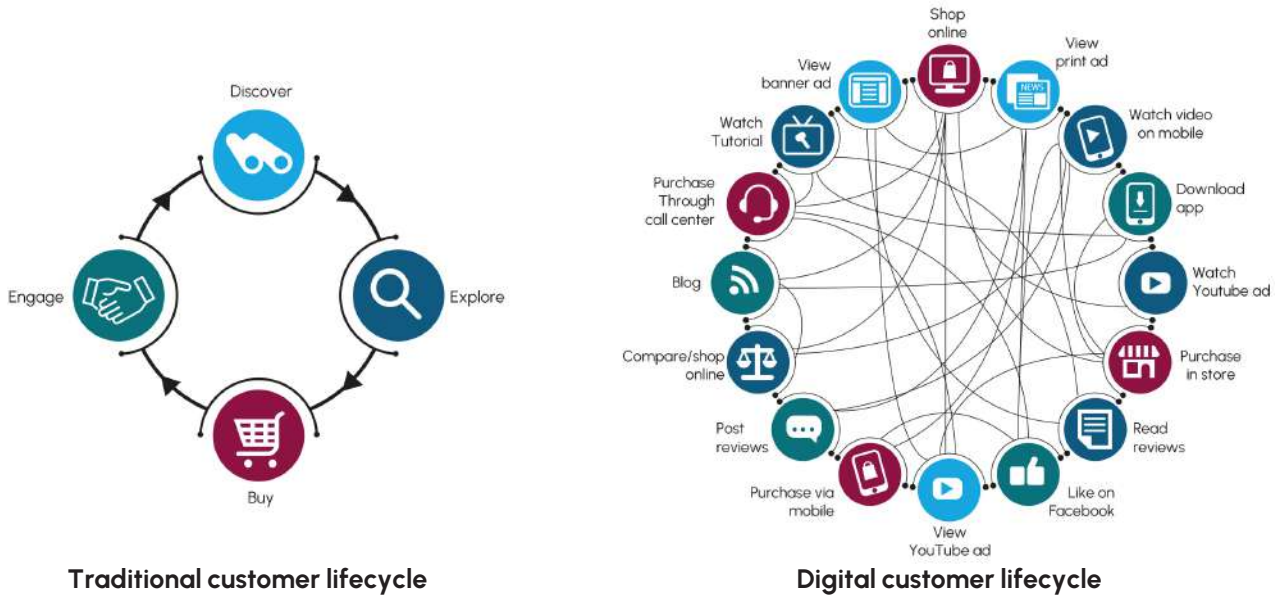
Providing excellent and consistent CX can and will be bolstered by investments in contact center applications, platforms, and services. However, ultimately, overall improvements in CX depend on an organization assessing its current CX policies and procedures, listening to customers, identifying what level of service it wants to provide, and then implementing specific operational and behavioral changes.

Investment in a modern cloud-based contact center platform is not only a key element of improving sales and support metrics but also a key lever in driving new revenue, improving customer loyalty and retention, and creating an organization that can adapt to ever-changing conditions.

# Supporting a Modern Customer Journey and Lifecycle via Contact Center Investment

Investments in contact centers should be viewed through the lens of improving the ability to support customers and their present-day journeys with a company via better automation, intelligence, and support for human agents. Today's customers interact with products through a variety of physical and digital channels. As such, contact centers need to be able to accommodate a more complex series of interactions that can cross a wide variety of actions, channels, and contact points, as Figure 1 shows.

**Figure 1: The Traditional Customer Lifecycle vs. Digital Customer Lifecycle**



These interactions can occur in the physical world, in the digital realm, or both. Contact centers must be capable of helping customers regardless of where the interaction takes place, as support activities often revert to contact centers. Contact center software must be capable of quickly surfacing customer journey information, which should include a detailed accounting of each interaction a customer has had in the past. Further, a current customer journey is best described as an infinite loop rather than a linear journey, and organizations must have the tools, processes, and technology in place to support each step throughout this loop. Note that whether via an automated interaction, an interaction led by a human agent, or an interaction that leverages both automated tools and a human agent, a contact center can be utilized at any point along this infinite loop.

**Figure 2: The Customer Journey: An Infinite Loop**



Source: The Futurum Group

To properly serve customers along this journey, modern contact centers must provide a range of features and capabilities that include the following elements.

**A modern, cloud-based infrastructure enabling unfettered access to product, customer, and interaction data:**

Customers cannot be properly served and supported if an automated self-service tool or live agent does not have the relevant information about customers, their current and previous interactions, and about which product or service they are inquiring. This information needs to be securely stored and updated in real time, with systems or mechanisms in place to ensure that all systems and agents are working from a single source of truth.

This approach ensures that agents have the most recent and complete information for each customer, regardless of when and where the interaction took place. For example, using a single source of truth that captures all interactions ensures that a customer who speaks with an in-store representative about a service issue and then calls a support line after leaving the store can be assured that the contact center representative is aware of their previous interaction and any activities that took place. This setup eliminates the need for a customer to repeat the details of the interaction, reducing friction and improving the efficiency of each subsequent interaction.

**A modern, clean interface that surfaces insights and information to help human agents:** Contact center agents are overwhelmed with information, with many agents switching among various systems (including customer information pages, previous interaction registries, product or service knowledge bases, and communication platforms) to handle a single inquiry or interaction. Modern contact centers should have a clean interface that displays data from all viewpoints in an intuitive user interface, making it quick and easy for agents to access and use the information they need, which can be customized to an individual's or an organization's liking based on their specific needs and preferences, with custom fields, automated reports, and more.

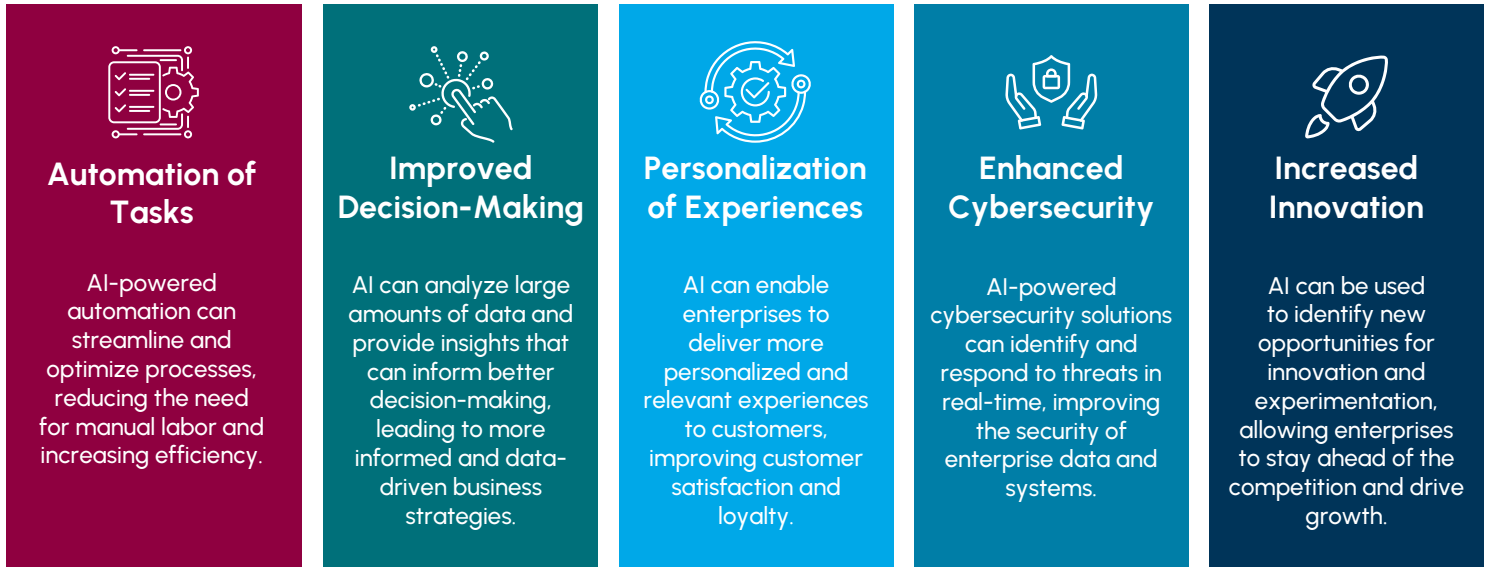
For example, some agents might prefer to have concurrent chat windows displayed side-by-side so that they can easily keep tabs on when a customer responds, even if they are interacting with another customer. Others might prefer to display only the active chat window so that they can focus on that interaction. Regardless of how the interface is customized, the customer will benefit because the agent has set up their workspace to maximize their comfort level, allowing them to focus on serving the customer.

**The incorporation of predictive and generative AI tools to seamlessly surface, integrate, and leverage insights, allowing for faster and more personalized service:** It is no secret that both types of AI can provide significant benefits to contact centers. Predictive AI, which is based on the use of machine learning (ML), can be used to identify patterns, anomalies, or other insights based on customer or agent behavior to improve the personalization and relevance of each interaction. This approach is a key strategy that organizations must deploy to attract and retain customers who are provided with a near-infinite number of choices of suppliers and vendors, all available within a single click.

Similarly, the impressive and ever-evolving capabilities of generative AI are increasingly being rolled out within contact center and other CX software platforms. Generative AI enables humans to interact with self-service bots more naturally by abstracting complex search terms and logic and allowing customers to quickly surface the information they are seeking, even if they are unsure of the correct terminology. For example, generative AI-powered chatbots can converse more convincingly with users by generating a structured human-sounding response to a natural language query. Additionally, these chatbots can offer improved contextual understanding, leading to more accurate and contextually relevant responses, reducing customer effort and friction.

Agent-facing systems are using these predictive and generative capabilities to help automate routine tasks and allow for more personalized interactions with customers. Through this intelligent automation, agents can reduce the time it takes to handle repetitive, but necessary, tasks such as summarizing interactions with customers, providing suggested responses to queries or situations, and generating content based on customer or agent actions.

**Figure 3: Benefits of AI**



Source: The Futurum Group

Empowering agents with current information is essential for effective and personalized customer interactions. With an AI-powered agent assistant, the entire knowledge base, including product information and historical conversations, is indexed using large language model (LLM) embeddings. Agents can now pose natural, layperson-term questions during live calls and receive relevant answers in seconds. This dynamic support ensures accurate and prompt responses, enhancing customer satisfaction.

These technologies and capabilities should be considered table stakes for any modern contact center, along with the ability to hook into third-party intelligence platforms and LLMs.

**The use of AI to improve agent experiences:** AI can also be used to focus on key challenges faced by contact centers, such as agent experience and staffing. Automation and AI tools can help in the early stages of recruiting and hiring, using predictive analytics and call forecasting to more accurately predict staffing needs. Also, data analytics and AI tools can help schedule the right agents at the right times by analyzing the strength and expertise of each agent to create schedules that incorporate scheduled time off, seniority, agent shifts, call volume needs, and more.

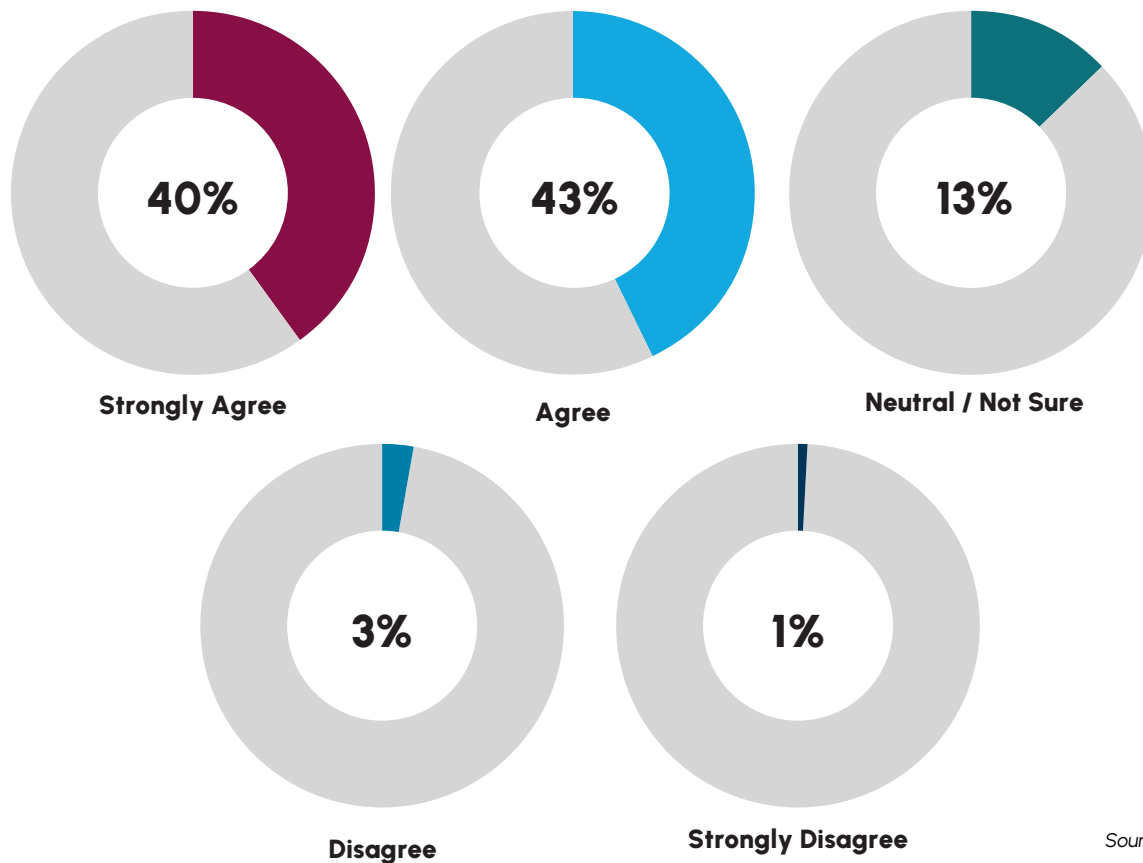
**Incorporation of AI to support more effective self-service options:** Although AI is being used to support human agents, successful contact centers must provide customers with excellent self-service experiences as well. According to a survey from [BankMyCell](#), 75% of Millennials avoid phone calls because they see them as time-consuming; 81% report feeling apprehensive before summoning the courage to make a call. Although members of older generations might not have the same anxiety related to making voice calls, they still are looking for the most efficient ways to accomplish tasks and often choose to embrace self-service technology if it is efficient and effective.

Modern contact centers should have the capability to deploy AI-driven self-service portals, chatbots, and interactive voice response (IVR) systems that support natural language customer interactions, instead of the static, decision tree-based systems of yesterday. These self-service tools can support and delight customers by providing faster resolution to their issues while reducing live-agent inquiry volume.

# Leveraging Modern Tools and CX Approaches to Do More with Less

In The Futurum Group's Digital Transformation Index 2023, which surveyed 1,000+ North American and EMEA companies of between 50 and 50,000+ employees, 83% of respondents strongly agreed or agreed that their organizations had the ability to transform challenges into opportunities. Modernizing the contact center should be thought of as a clear strategy for driving digital transformation, impacting customers, employees, and partners.

**Figure 4: Organizational Ability to Transform Challenges Into Opportunities**



Source: The Futurum Group

A key strategy for implementing contact center transformation is to utilize a platform that allows an organization to leverage its existing technology investments. Technical debt can weigh heavily on an organization's IT balance sheet, making it more difficult to secure funding for new high-priority projects, particularly in periods of economic uncertainty and cost-cutting.

By implementing a contact center platform that leverages application programming interfaces (APIs) and other native connectors, data from across the organization (including other systems, such as CRMs, CDPs, and legacy databases) can be pulled through to the contact center, allowing an organization to continue deriving value from previous investments, while reducing licensing, training, and maintenance costs.

In the pre-digital world, customers generally only interacted with a contact center at the point of sale or only if they had a problem. As customer journeys over time migrate further to look more like that infinite loop of engagement, organizations that modernize their contact centers will be able to amortize their investments across a greater volume of customer touchpoints, while improving the quality of experience for both customers and their employees.

# Converting Positive Agent Experiences into Increased Customer Satisfaction and Loyalty

In addition to improving agent satisfaction and retention, providing tools that reduce agents' stress levels and make them more efficient also can help drive increased customer satisfaction and loyalty, which are generally driven by the efficiency of interactions and the ability to quickly resolve issues.

For one, providing a customizable agent interface that can surface relevant information automatically will help agents serve customers more quickly and efficiently. With this information, issues are also likely to be resolved in fewer interactions. In some cases, by deploying self-service tools, basic customer issues can be solved without even requiring an agent interaction, drastically improving time to resolution, another key performance indicator (KPI) than can impact customer satisfaction and loyalty. Indeed, Microsoft research found that on a global basis, 96% of consumers say customer service is an important factor in their choice of loyalty to a brand.

Organizations should consider a contact center platform with the following attributes, allowing them to deliver the best possible CX during marketing, sales, and support interactions:

- Streamlined, customizable interfaces and workflows to provide agents with the most relevant and timely information when engaging with customers.
- Support for linking to a single source of truth for all product, service, and customer information, to ensure the most recent and correct information is available to agents and customers.
- Support for two-way omnichannel interactions, both online and offline, to ensure all interactions are visible and trackable, allowing customers to engage with the customer on their terms.
- Integration of predictive and generative AI tools, to reduce repetitive work, enhance personalization efforts, speed up manual processes, and generate relevant content or suggestions, speeding workflow and enabling more natural interactions between customers, agents, and technology systems.

Agents that are provided with the proper support, including the right training, tools, and procedures, are generally more engaged with both customers and the company itself. Greater levels of engagement often translate to more enthusiasm for the company's products and services and into a greater desire to assist and delight customers. When agents are equipped to resolve issues and create positive customer interactions, they have an opportunity to protect customers' current spending levels and engender loyalty while helping to drive additional revenue.



# Important Information About this Report

## CONTRIBUTORS

### Keith Kirkpatrick

Research Director | The Futurum Group

## PUBLISHER

### Daniel Newman

CEO | The Futurum Group

## INQUIRIES

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Local Measure's flagship product, Engage by Local Measure, is a pre-built, cloud-based contact center platform Built for Amazon Connect. Engage leverages AWS and Generative AI to assist agents and enhance customer interactions, providing a personalized omnichannel experience that is tailored to businesses and customers' evolving needs. For more information about Local Measure and its innovative CX solutions, please visit the website at [www.localmeasure.com](http://www.localmeasure.com).



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## CONTACT INFORMATION

The Futurum Group LLC | [futurumgroup.com](http://futurumgroup.com) | (833) 722-5337