



National Association of Call Centers In Queue

The fun, informative, and unique newsletter for the call center industry

Welcome to the January 2018 issue of the NACC In Queue newsletter!



Seven Things To Know About Artificial Intelligence & Customer Care

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Artificial intelligence (AI) for [customer care](#) is a hot subject. One industry analyst recently shared that, starting a few months ago, more than 75% of the firm's customer inquiries were to discuss just one topic: *Using AI to improve customer care.*

What are some key insights regarding customer care and AI?

1. **AI is a means to an end, not an end in itself.** The top four priorities for customer care have remained consistent for many years:

- Optimize the human element in the contact center
- Save customer time and effort through automation and self-service tools
- Consolidate applications to reduce IT footprint
- Drive towards personalization of the customer experience

AI can help further address self-service outcomes by helping you deepen offers through

more

natural and intuitive interfaces. "How may we help you?" will become the most common question companies ask in their self-service offers compared to today's largely static interfaces.

2. **AI will be everywhere, pervasive and integrated.** The nature of AI is such that you can infuse it into existing business processes. When executed well, AI should be unnoticeable to your customer, but result in more delightful and efficient experiences. Some customer-facing processes will be completely AI driven, while others will use AI to improve portions of existing processes. It will become increasingly more difficult to discern when AI is part of a business process – in a good way.

3. **Innovative AI will come from many vendors.** While most people associate customer care AI specifically with chatbots, many forms of AI will impact the entire customer care value chain. For example, conversational assistants, driven by AI and machine learning will impact everyday life outside of customer care situations. Likewise, vertical AI solutions will drive new value beyond horizontal applications like search, tailored to the specific needs of that industry.

4. **Without context, AI just artificial and not intelligent.** AI needs data and context to be intelligent. AI-driven customer care processes will only be as good as the quantity and quality data provided to them, whether by human or non-human sources. For example, customer care agents will be a primary source of "training" AI for care by providing input and context to improve AI-driven care outcomes.

5. **Cisco AI is connected to context.** We recognize that customer care without context will disappoint. [Cisco Context Service](#) is a cloud-based source of interaction data used to deliver deep insights into your customers' journeys. You can use this context to adjust routing, treatments, and provide insight to center agents at key moments of truth in the interaction. Don't punish your customers for using self-service. Using context lets you provide one continuous experience for customers when the transition for self-service/bots requires a live agent.

6. **AI can improve all parts of traditional contact centers.** Beyond just self-service, you can integrate AI functions to improve call routing, reporting, and the agent experience. AI will be pervasive through the entire contact center software stack. For example, you can improve accuracy by infusing AI-based intent further in the decision process. You can enhance reporting with insights gained by combining AI and context, fueling deeper insights into customer behavior.

7. **AI is far from perfect and will need human assistance at times.** While aggressive predictions indicate that AI will displace a large swath of human resources in customer care, AI's impact in that regard is many years down the road. Therefore, a smooth continuous escalation from AI driven self-service to live assistance is critical to delivering a [Connected Digital Experience](#) for customers.

In This Issue...

- 7 Things To Know About Artificial Intelligence
- Outsourcing Pricing
- Hiring Intentions
- Call Center Comics!

Pearls Of Wisdom

"Worry is like a rocking chair. It will give you something to do, but it won't get you anywhere."

~ Vance Havner

Reports From NACC

The NACC has been burning the midnight oil and typing until our fingers are sore to bring out reports to our members. Each is listed below. If you are interested to see what we are writing about, click on the links below and download the executive summary of each. If you like what you see, join the NACC so that you can view these reports and others that will be coming out soon on our website. These reports will ensure that you know the latest trends in the industry.

- [Research Note: NICE Introduces CXone - Fully Integrated Open Cloud Contact Center Platform: August 2017](#)
- [Research Note: Verint Introduces Knowledge Management Professional Knowledge Management for the Masses: Julv 2017](#)
- [NICE Introduces Nexidig Analytics: Omni-Channel Analytics For The Contact Center: January 2017](#)
- [Text Analytics Market Update: April 2016](#)
- [Kodak Alaris Launches AI Foundry To Deliver Artificial Intelligence-Based Solutions For The Contact Center: November 2015](#)
- [HireIQ Candidate Optimizer Disrupts The Status Quo. Powers Revolution In Customer Service Human Capital Management: May 2015](#)

Next Steps: What to do?

- Stay the course with the goals of your customer care strategy. These likely involve improving service outcomes while addressing your cost-to-serve profile. However, recognize there are new AI-driven tools that can impact both.
- Drive AI to improve both the customer and agent experience. A majority of existing AI efforts focus around customer-facing processes, such as chatbots. These can improve agent experiences by augmenting complex interactions with AI-driven context.
- Consider AI first as a way to augment, rather than replace existing processes. To gain momentum, and avoid poor first impressions, consider AI technologies as a complement to your existing stable of customer care processes – rather than complete replacements.

The next several years will show much progress in the realm of AI and customer care. This should result in lower cost and better service for customers globally.



Inbound Call Center Outsourcing Pricing Options

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(The following article was contributed by NACC member Quality Contact Solutions. The NACC encourages members to submit articles for publication in In Queue throughout the year. Please contact us if you are interested in being a contributor – Ed.)

In the world of call center outsourcing, there are many things that are going to factor heavily in deciding which contact call center to use for inbound call handling. Those factors are going to include things like location, agent quality, experience, facilities, likability of management staff, as well as several other factors. Certainly, one of those things is going to be price.

Now, as it pertains to price and before diving into models and numbers, it's important to note a couple of things. First, these models and prices are for domestic inbound programs being conducted in domestic contact call centers. You can utilize offshoring for call center outsourcing if you are looking for the best prices, but in my opinion, there are several reasons why inbound call center services are best in the U.S. Second, it's important to note that not every inbound program is created equal. The level of complexity, amount of training, and overall talent of agent required for a particular campaign can obviously have an effect on pricing.

Most companies have two separate pricing models for [inbound call center](#) outsourcing campaigns: Per Minute or Hourly.

Call Center Outsourcing with a Per Minute Model

If a client's incoming calls, emails and chat messages are low volume or inconsistent, their program will most likely be priced on a per minute basis. This is because programs with low volume or inconsistent volume patterns are best placed into an environment that is either shared with another inbound call client or [blended](#) with an outbound campaign.

Note: All references to "inbound" include many different types of customer contacts including inbound voice calls, text messages, email messages or chat messages.

What Does 'Shared' or 'Blended' Mean in Call Center Outsourcing?

If an inbound contact call center puts your program into a shared environment, that means that your call center agents are also being used to handle calls for other clients. Call centers do this because some inbound programs have low volume or inconsistent call volumes and it would be too expensive to staff call center agents on a dedicated basis and have them sit there waiting for incoming calls.

The call center agents are cross trained to work on behalf of multiple programs. This helps keep agent utilization high and also keep costs reasonable for clients that use third party outsourced call center companies. Most companies use skills-based routing to identify in real-time which call center agents are trained to handle which types of calls at any given point in time and then to route the call to the best agent that is available.

Typical pricing for shared/blended services is \$.70 to \$1.25 per minute. Minutes are calculated by adding the talk time plus the call wrap-up time. And this is typically a loaded cost, including the management staff and support staff.

Call Center Outsourcing with an Hourly Model

When a program has enough inbound volume to warrant dedicated contact call center agents, most companies will price the service on an hourly basis. Pricing for dedicated agents that handle inbound interactions typically ranges from \$25 to \$35 per hour. As previously stated, this can vary based on the skill set required by the agents to succeed as well as the number of agents that would be needed to appropriately staff the campaign. Typically, the more agents required to fulfill the needs for a particular client, the lower the per hour rate. Another X-factor can be if there are specific requirements like needing licensed insurance agents or if a program needs to be staffed 24 hours per day and 7 days per week.

Nathan Teahon is the Vice President at [Quality Contact Solutions](#), a leading outsourced inbound and outbound telemarketing services organization. As a highly competitive person, Nathan brings his 'A' game to work every day, ensuring that each of his clients wins on a daily basis. Nathan carefully balances the

[management: may 2015](#)
[- Verint Jumps Into The Gamification Game: April 2015](#)
[- Research Update - Strong 4th Quarter Tops Year Of Growth For The 2014 U.S. Contact Center Industry Employment: March 2015](#)
[- Geo-Fencing: Expanding The Contact Center Boundaries?: November 2014](#)
[- Neural Phonetic Speech Analytics: The Brains behind Nexidia Interactions Analytics 11.0: July 2014](#)
[- Nexidia Pushes Speech Analytics Envelope with Nexidia Interaction Analytics 11.0: July 2014](#)
[- The Time is Now: Workforce Optimization Becomes Reality for the Small-to-Medium-Sized Contact Center: July 2013](#)
[- Finding the Silver Lining in the Contact Center Cloud: May 2013](#)
[- The At-Home Agent Movement - A Benchmark Quantitative Analysis: January 2013](#)
[- State of the Call Center Industry Report: 2nd Quarter 2012 Data](#)
[- State of the Call Center Industry Report: 1st Quarter 2012 Data](#)
[- Contact Center Mobility Study: May 2012](#)
[- State of the Call Center Industry Report: 4th Quarter 2011 Data](#)
[- State of the Call Center Industry Report: 3rd Quarter 2011 Data](#)
[- State of the Call Center Industry Report: 2nd Quarter 2011 Data](#)
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[- North American Contact Center Industry 2008-2009: The Year in Review and a Look Ahead](#)
[- State of the Call Center Industry Report: 4th Quarter 2008 Data](#)

operations resources and client goals to ensure his clients receive the highest possible results at the lowest cost. Nathan is a true, born and bred telemarketer. He grew up in the business and intimately knows (and has played) every position on the field, including supervisor, quality assurance, call center manager, program management, account management, and call center psychologist. Nathan can be reached at nathan.teahon@qualitycontactsolutions.com or 516-656-5133.

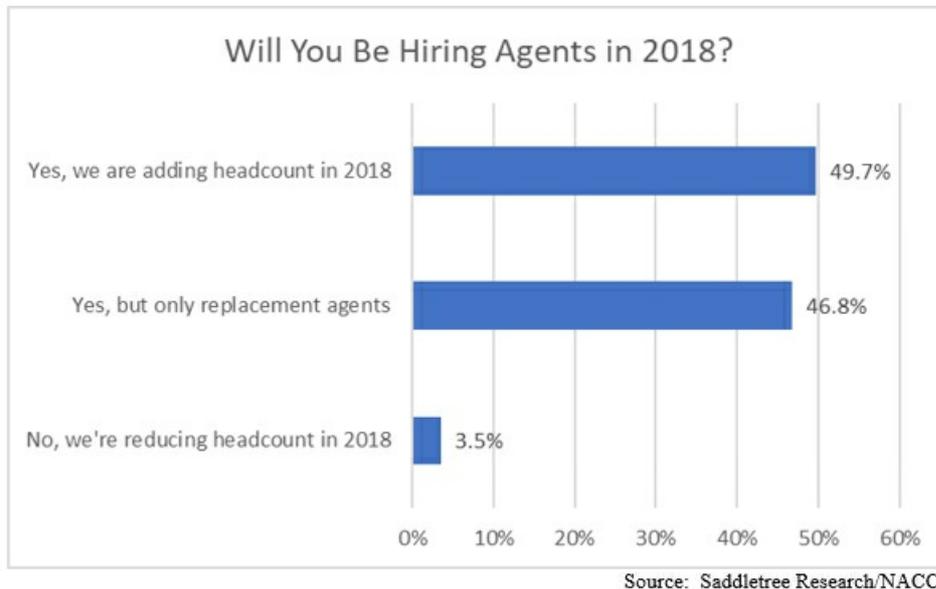


Optimism Leads The Contact Center Industry In 2018

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In order to broadly gauge the U.S. contact center industry's attitude toward the future, the first question we asked in our Q3 2017 survey of members was whether or not they were going to be hiring agents in order to accommodate growth in the year ahead. Based upon the responses we received, it is apparent that the industry is looking ahead to 2018 with considerable optimism.

The figure below illustrates the responses to the question, "Will you be hiring agents in 2018?"



About half of the U.S. industry indicated that they will be adding agent headcount in 2018, likely in response to expected increases in business. Less than four percent of the industry will be reducing headcount and about 47 percent of the industry expects to remain even in 2018. Overall, it appears that the U.S. contact center industry will remain strong throughout the year ahead.



Call Center Comics



If you like this comic and would like to see more, write Ozzie at callcentercomics@yahoo.com and visit his website at <http://callcentercomics.com> or just click on the comic to take you to his page. The NACC appreciates Ozzie letting us use some of his comics in our newsletter.

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