Building a Profit-Driving Contact Center

Insights from 360+ Executives

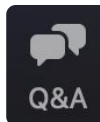Conversation Excellence Lab

Balto

Welcome to today's webinar!

Justin Smith
Sr. Content Strategist @ Balto
Webinar Host/Moderator

Today's session will be about **30 minutes** with time for **Q&A**.

Use the **Q&A button** on your screen to submit questions.

All registrants will receive the **video recording** and **slides** following the broadcast.

The Conversation Excellence Lab

The Conversation Excellence Lab is Balto's hub for academic-level research. We create thought-leading content with the support of research teams and in-house data.

Subscribe to our newsletter for insights straight to your inbox.

Subscribe

Today's Webinar Speakers

Justin Smith
Sr. Content Strategist,
Balto

Lior Torenberg
Head of the Conversation
Excellence Lab, Balto

Michelle Barbeau
Sr. Customer Enablement
Manager, Balto

Balto

A Quick Poll

Research Demographics

361
Executives

35-54
Most represented age group (37%). Average age was 47

49%
Of respondents were **Directors**

68%
Been in their job over 5 years

101-500
30.8% of respondents worked for a 101-500 person company

64.7%
Of respondents were male

Poll Results

Research Takeaways

1. If executives see their contact center as a profit-generator, they get better results.
2. Older, more tenured, and more senior executives are more likely to view their contact center as an avenue for value creation.

Balto

Research Takeaways

3. Executives planning on cutting budgets in the next year are already falling behind the competition.

4. Agents add value to a company through a variety of actions.

5. Executives believe in 10 years, human conversations are still going to be the #1 channel for customer service.
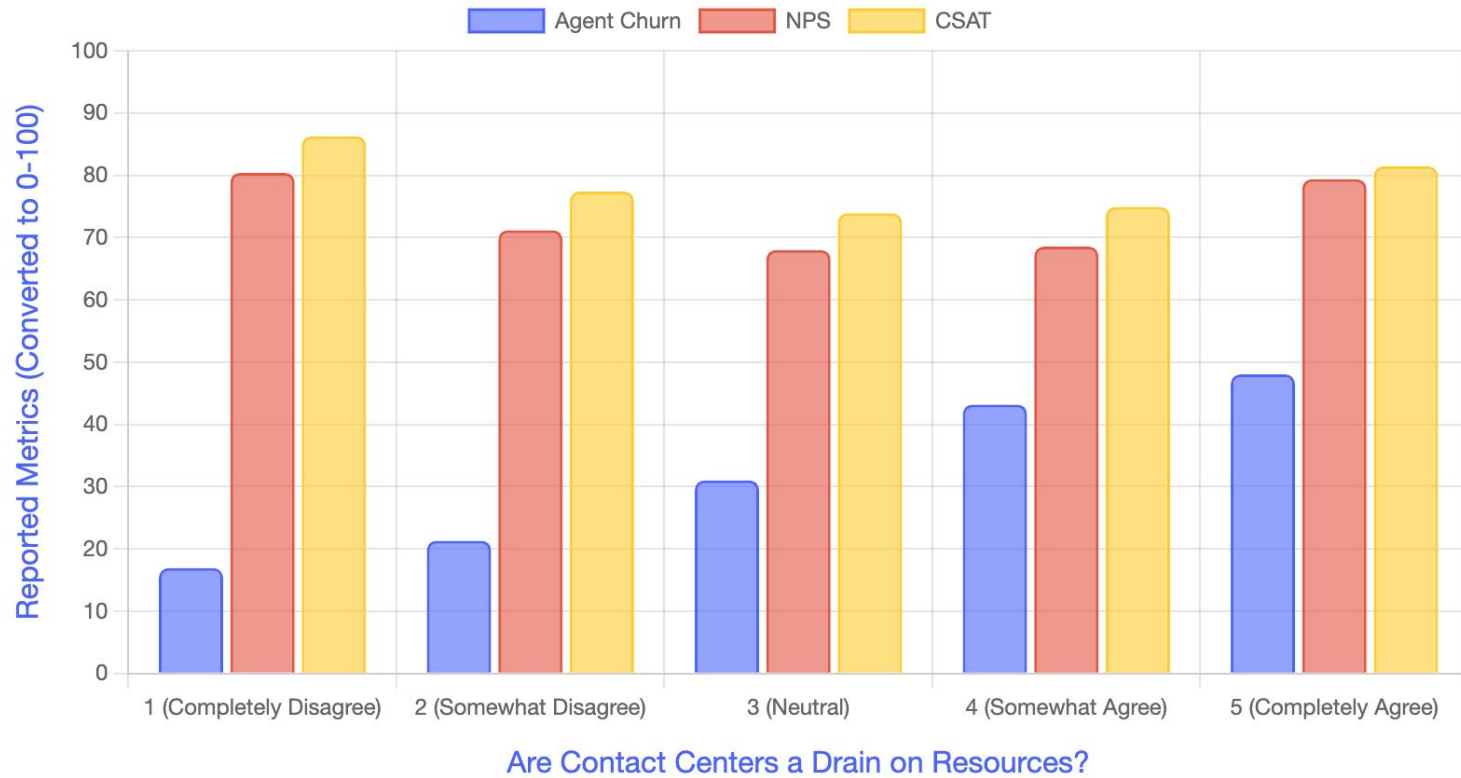
Balto

1. Value is a Self-Fulfilling Prophecy

Value is a Self–Fulfilling Prophecy

▸ We asked our respondents how much they agreed with the following statements on a scale of 1-5:
  - Great service is the best way to build customer loyalty
  - Great service is less important than solving a customer's problem as quickly as possible
  - Anything other than self-service support for customers ends up being a drain on resources.

Balto

Value is a Self–Fulfilling Prophecy

▸ The answers to these questions were predictive of success as measured by agent attrition, customer NPS, and customer CSAT scores.

▸ **Especially the last question:** Those who responded with "1" (Completely disagree) had the lowest churn and the highest customer NPS and CSAT of the group.

▸ Ex. 16.9% agent churn vs. 48%, and better NPS (+7) and CSAT (+6)

Balto

Agent Churn NPS CSAT

Are Contact Centers a Drain on Resources?

Reported Metrics (Converted to 0-100)

1 (Completely Disagree) 2 (Somewhat Disagree) 3 (Neutral) 4 (Somewhat Agree) 5 (Completely Agree)

Balto

2. Demographic Differences
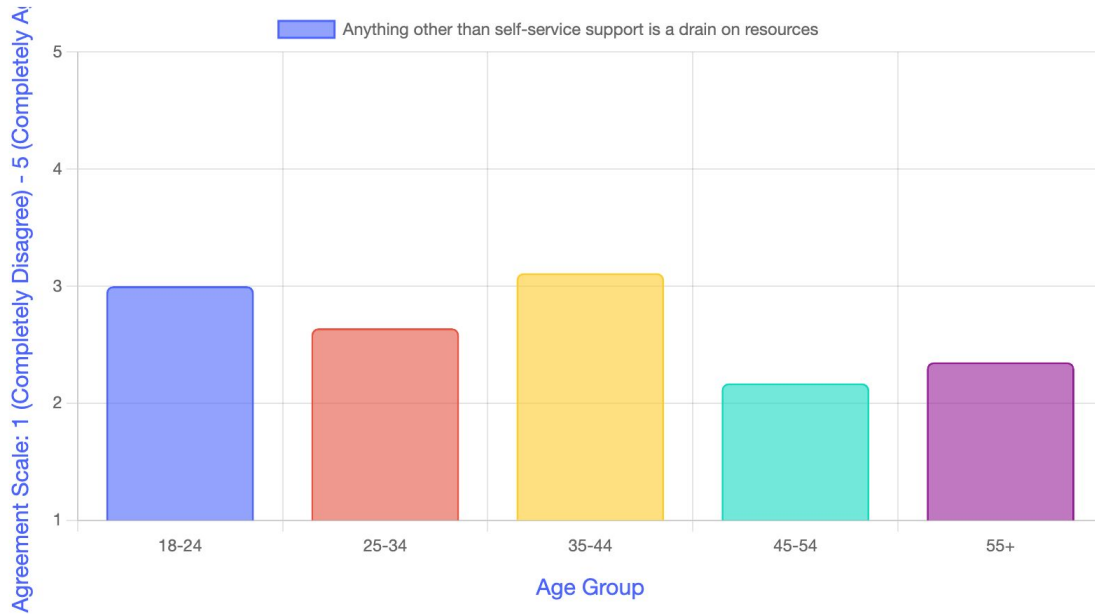
Demographic Differences in Value Perceptions

Figure 9: Value Perception as a Function of Age

Demographic Differences in Value Perceptions

▸ Here are some fast facts that more tenured executives intuitively understand:
  - Consumers want a personalized experience when they interact with your brand.
  - Customer acquisition is 5-25x more expensive than customer retention.
  - Word-of-mouth and other forms of organic marketing are invaluable for scalable growth.

Balto

3. The Effect of Spending on Attrition, CSAT, and NPS

The Effect of Spending on Attrition, CSAT, and NPS

▸ In total, 27.7% of respondents said that their contact center was cutting costs in the next year — and those respondents had the worst outcomes when it came to attrition and customer satisfaction.

If you're cutting costs:

● Double the employee churn rate (44.8% versus 21.5%).

● Lower customer NPS by 5 points on average.

● Lower customer CSAT by 9 points on average.

Balto
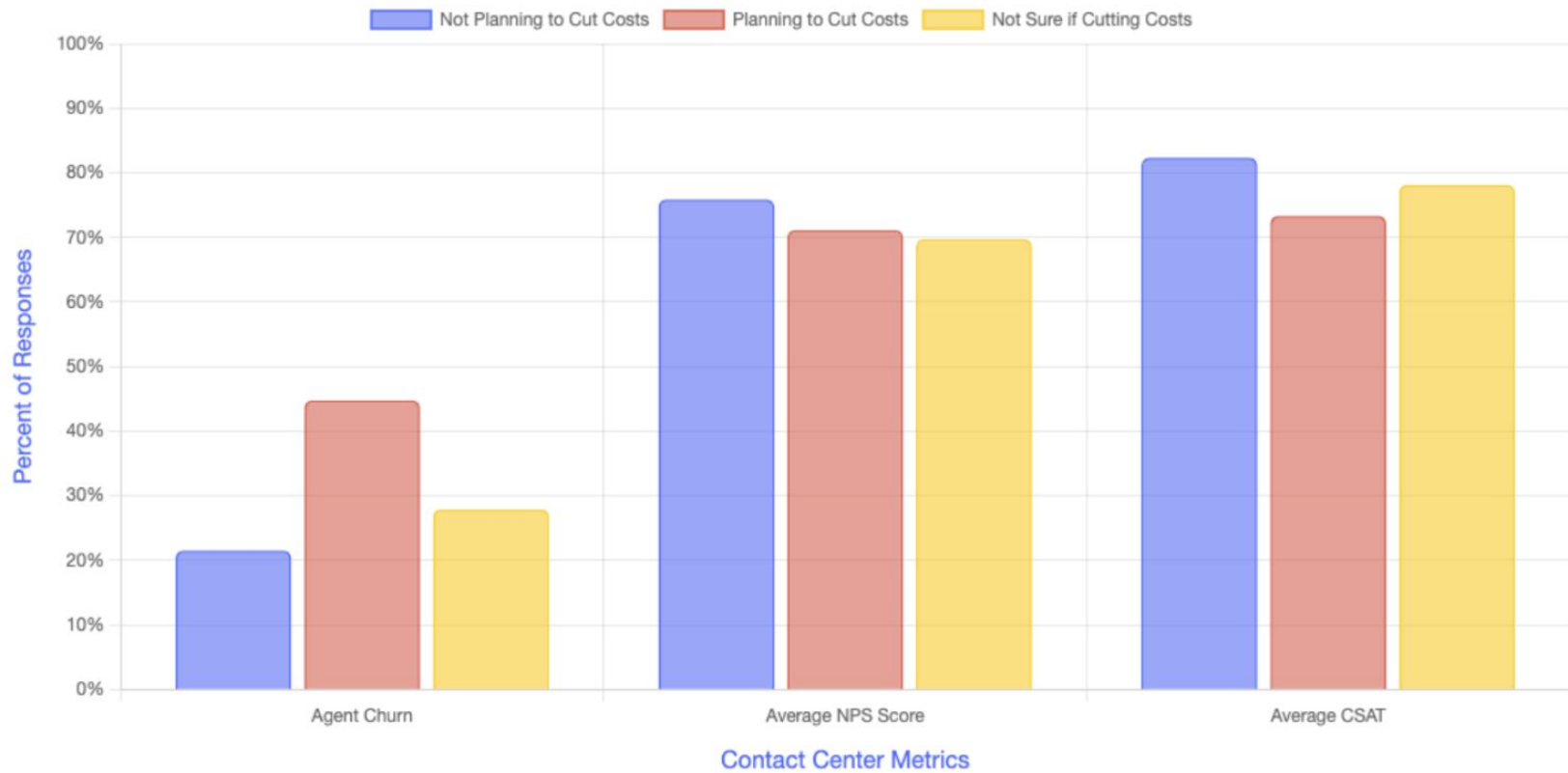
The Effect of Spending on Attrition, CSAT, and NPS

▸ The average increase in software and hardware investment per agent next year was approximately **$5,495**

▸ Average increase in coaching and training investment per agent was **$10,367**

▸ **How does your company's spending plan stack up against these averages?**

Balto

4. Agent Value–Add Activities

Answer Choices	Responses %	Responses Count
Gathering customer information for marketing purposes (ex. Quotes, feedback, etc.)	63.43%	229
Letting customers know about incentives and sales	57.34%	207
Cross-selling to customers (encouraging them to purchase related items)	56.51%	204
Up-selling customers (encouraging them to purchase a higher-end product)	53.74%	194
Asking for online reviews	39.61%	143
None of the above	6.37%	23
Other (please specify)	5.82%	21

Figure 12: Breakdown of agent value-add activities

Balto

Agent Value–Add Activities

▸ **Asking for reviews** which was perceived by respondents as the least effective value-add tactic

▸ It was also listed as the **most important** by executives

▸ 91% of 18-34-year-old consumers trust online reviews as much as personal recommendations, and consumers expect businesses to have a minimum average Google rating of 3.84 across at least 20 reviews.

▸ **How does your company stack up?**

Balto

5. Humans Are Here to Stay

Humans Are Here to Stay

▸ We asked respondents to rank how often they use various communication tools today, and how they expect them to be used 10 years.

▸ The most used tools today included **live chat with a human** and **voice assistance.**

▸ **In 10 years, the most used tools were expected to stay the same,** while the least used tools were expected to be discussion forums, social media, and self-service knowledge bases.

Balto

Tools	Now	Now Rank	10 Years	10 Year Rank	Difference
Live chat with a human	3.96	1	4.34	1	0.38
Voice (Phone) assistance	4.05	2	4.64	3	0.59
Email	4.15	3	4.61	2	0.46
Mobile app	5.18	4	5.14	4	-0.05
Social media	5.50	5	5.69	9	0.19
Text	5.54	6	5.38	7	-0.17
Self-service knowledge base	5.57	7	5.55	8	-0.03
Online chat bot	5.76	8	5.21	5	-0.54
IVR (Interactive Voice Response) Assistant	5.86	9	5.33	6	-0.53
Discussion forums	6.27	10	6.83	10	0.56

Actionable Takeaways

Get real about your values

If you view your contact center as a value-generator, it'll become one: value is a self-fulfilling prophecy

Don't stop investing

During an economic downturn it's not about how you save, but how you spend — the churn differences show it
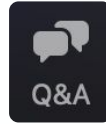
Coach on value-adds

From online reviews to upsells and cross-sells: train your team to support your bottom line

Bet on voice

The more channels the better, but voice isn't going anywhere. Make sure your agents have the tools and expertise they need to succeed

Balto

Thank you!

Q&A

Use the **Q&A button** on your screen to submit questions.

All registrants will receive the **video recording** and **slides** following the broadcast.

For more information about Balto and the Conversation Excellence Lab, visit **balto.ai**

Sources

- [The corporate spending that can't wait for a recession to pass](#)
- [Cross-Selling and Upselling: The Ultimate Guide](#)
- [Local Consumer Review Survey 2022](#)
- [Online reviews statistics to know in 2022](#)

Balto