

State of Contact Centres 2024

PART 1 - TRENDS



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Introduction




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The role of contact centre leaders is changing. It is not only more complex, but it is more visible, critical and strategic than ever before. Given the many ways in which people expect to contact organisations, these leaders have a bigger than ever responsibility to create and carry out an effective customer experience (CX) vision that helps build strong and empathetic relationships, with long-term positive outcomes for businesses.

Contact centre leaders are uniquely positioned in their organisations. They are on the frontlines of customer engagement, and with an ever-increasing number of customer queries every single year, the success of their organisations and teams depends on them getting it right every single time.

Frederic Laziou

Frederic Laziou
CEO



The dynamic and transformative landscape of CX

Customer experience (CX) is the main driver of contact centres across Europe. As customers' needs and preferences evolve, contact centres need to adapt and innovate with them.

In this dynamic and competitive environment, **a new era of CX is emerging**; one characterised by transformative technologies, personalised customer journeys and a strategic shift towards self-service.

To gain insights into the current state and future trends of contact centres in Europe, we have conducted a survey of 750 contact centre leaders from various organisations in the region.

Our survey results reveal an industry that is embracing **change and opportunity**, with a focus on improving customer satisfaction, adopting advanced CX solutions, and using artificial intelligence and automation to enhance efficiency and effectiveness.

In this report, we will delve into the details of these trends, through the perspective of your peers – contact centre leaders – offering a glimpse into the future of contact centres as they navigate the challenges and opportunities of the current CX landscape.



Executive summary

Customer journey optimisation:

Increased surges in inbound enquiries and evolving customer expectations create a need for contact centres to coordinate customer interactions across various channels to provide seamless customer journeys. In fact, **80%** of contact centre leaders view customer journey optimisation as an important focus for 2024.

Assisted channels:

Digital solutions are becoming more prevalent in the CX landscape, but traditional channels are still holding their ground. In the past year, **73%** of contact centre leaders have faced substantial demand for voice interactions, while **69%** have grappled with high volumes of email enquiries, underscoring customers' ongoing preference for human interactions in customer service.

Great EX leads to great CX:

There is a clear focus on agent training and development amongst contact centres. **58%** have increased their commitment to staff training and development in the past year, and **45%** have increased their workforce budget. Additionally, **27%** anticipate that AI will have the most impact on employee training and skill development opportunities in the next year.

AI and self-service are the future:

A significant **66%** of contact centre leaders acknowledge the importance of implementing AI tools in 2024. Moreover, **72%** plan to improve or implement self-service tools as key focus areas for 2024 and **64%** plan to improve or implement chatbots.

The need for data and analytics:

Many contact centres are grappling with unsatisfactory data and analytics capabilities, with **64%** rating their customer journey analytics as average or below and **63%** rating their customer insight tool as average or below. On a positive note, **71%** of contact centres recognise data visualisation and analytics as critical focus areas for 2024.

Outdated systems will slow us down:

Only **11%** of contact centres report they are fully in the cloud with **46%** still on-prem. **33%** of contact centres anticipate facing challenges with outdated systems in 2024.

The crucial role of customer journey optimisation

With the rise of digital channels and ever-evolving customer behaviours, European contact centres have witnessed a significant surge in customer interactions, with **76%** reporting an uptick in inbound enquiries over the past year.

Customers, using a variety of channels to contact businesses such as voice, email, social media, and web chat, seek **swift service with a personalised touch**. Given the increasing volumes of enquiries and new customer expectations, contact centres recognise the need to create a seamless customer experience across all channels.

In fact, Puzzel's survey reveals **80%** of contact centre leaders view customer journey optimisation as an important focus for 2024. Additionally, **72%** identify the importance of self-service tools. These findings underscore the clear focus for contact centres in the upcoming year.

To gain a competitive advantage and ensure customer demands are met, contact centres need to enable their customers to move seamlessly across channels, and from self-service to assisted service, without any friction or loss of information. Utilising a strategic approach to technological advancements, along with reviewing the performance and demands for each channel, can help contact centres achieve seamless CX in 2024 and beyond.



Affinity Water elevates CX with Puzzel

7 Abandoned call rates down from 7% to 2.8%

45 Handling time on call transfers reduced by between 45 and 30 seconds

100 % visibility of agent and caller activity

“Our resolution time decreased from five days to three. It wouldn't have been possible if we didn't have Puzzel's omnichannel solution in place!”



Assisted channels hold their ground

Digital solutions are becoming more prevalent in the customer experience landscape, but traditional channels are still holding their ground. Despite the uptick in digital advancements, customers still prefer familiar channels like email and voice, especially when they need personalised assistance.

In the past year, **73%** of contact centre leaders have faced substantial demand for voice interactions, while **69%** have grappled with high volumes of email enquiries. These statistics highlight the ongoing relevance of assisted channels, underscoring customers' ongoing preference for human interactions in customer service.

However, the surge in demand can bring challenges for customer service teams and longer waiting times for customers. A revealing study indicates an average email response rate of **18 hours across different industries**, indicating that many organisations struggle to manage their email inbox efficiently. This suggests a need for better email handling processes, which can enhance customer satisfaction and loyalty.

By implementing a **ticketing system** contact centres can manage, track, and resolve customer enquiries more efficiently. Here are four benefits of using a ticketing system in the contact centre:

- 1. Save time and effort for the agents:** A ticketing system automates the email handling process, such as sorting, filtering, and routing emails to the right agents, saving time and effort for customer service agents.
- 2. Automatic categorisation:** Puzzel's ticketing system uses generative AI to automatically detect the tone and language in customer messages, categorising them as low, medium, or high priority.
- 3. Provide faster and personalised responses:** Puzzel's ticketing system with AI capabilities empowers agents with automated responses and drafted answers, allowing them to customise and fine-tune responses before sending them to the customer, saving valuable time and effort.
- 4. Enhance customer experience:** Empower customers to navigate without the confusion of messy email threads and uncertainty about case status. Puzzel's ticketing system with integrated Customer Hub offers greater control and visibility, fostering trust and loyalty to the brand.

"I can't imagine how we would deal with 100.000 emails if we didn't have Puzzel's system"



The rise of digital channels in CX

In contrast to voice and email, digital channels such as chatbots have experienced a more moderate impact, with **45%** of contact centres reporting high or very high volumes of enquiries. Similarly, **49%** of contact centre leaders experience a high or very high volume of enquiries coming from social media.

These figures suggest that while digital channels may not be the primary choice for many customers, they are steadily gaining relevance and potential. Contact centre leaders acknowledge this trend, with **65%** anticipating social media for customer support to be an important focus area in 2024.



The benefits of social media for customer support

There are several reasons why social media for customer support is a great opportunity for contact centres to enhance their CX and gain a competitive edge. For example, data from **Statista** reveals that **59%** of customers prefer brands that respond to their complaints over social media. Additionally, social media customer service is more cost-effective than the traditional call channel, with the **average cost of a social interaction** being only \$1 compared to \$6 for a call centre interaction.

Bonus tip: Integrate social media channels into an omnichannel contact centre solution to create a seamless CX.

What about chatbots?

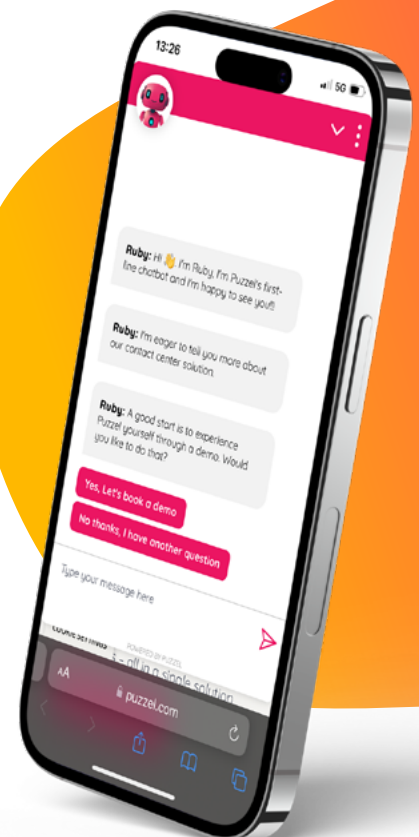
Chatbots are a powerful tool for customer service, ensuring instant answers to customers 24/7 while freeing up valuable time for agents. Contact centre leaders recognise its potential with **64%** reporting they will have an increased focus on chatbots for customer service in 2024.

Before implementing a chatbot, contact centre leaders need to consider the entire customer journey. Puzzel's survey reveals that many contact centres are in fact not satisfied with their current chatbot, as only **26%** rate their chatbot service as above average. This can be due to many reasons, but a common mistake is that chatbots are often implemented without having a clear strategy beforehand. Organisations often build their own chatbots but fail to maintain them regularly, leading to inaccurate and outdated responses.

For chatbots to be most valuable, they should be regularly updated with up-to-date information that is relevant to customers. Most importantly, chatbots should not replace agents, but complement them, seamlessly integrating with the customer journey.

Here are four tips on how to implement a successful chatbot in your contact centre:

- 1. Speak the language of your customers:** Start with the basics. Make sure the chatbot uses Natural Language Understanding (NLU) and supports the major languages of the customers.
- 2. Train the chatbot for repetitive tasks:** Identify the customers' most frequent questions and implement the answers into the chatbot. Let the chatbot handle repetitive and manual enquiries and save time and effort for the agents.
- 3. Choose a chatbot powered by AI.**
AI chatbots, like **Puzzel's Smart Chatbot**, are designed to be more context-aware compared to traditional chatbots. When a customer submits a query or question, an AI chatbot swiftly analyses the content, identifying relevant keywords and phrases. This enables them to generate relevant, personalised, and context-aware responses.
- 4. Ensure a seamless integration.**
Ensure the chatbot is integrated with the contact centre solution and other channels. This way, the chatbot can guide the customers to relevant pages on the website or transfer them to an agent when needed. The chatbot can also share the customer's history and details with the agent, to ensure a smooth and consistent service.



Bonus tip: Give the chatbot a unique personality and name that matches the brand and keep the language simple for customers to easily understand it.

Related content: **Puzzel Smart Chatbot**

The perfect balance between assisted and self-service channels

In the year ahead, contact centre leaders have a delicate balancing act to maintain. While traditional channels such as voice and email remain relevant, there is also a need for empowering customers and increasing efficiency through self-service. To ensure an optimal customer experience, contact centre leaders will need to find the right balance between the two.

Moreover, implementing self-service tools “just because” can do more harm than good. Deploying separate tools like chatbots, social media and webforms, without considering the entire customer journey, may lead to confused customers, internal silos, and frustrated agents. Alarming, **66%** of contact centre leaders rate their application integrations as average or below.

A Gartner survey sheds light on the complexity agents face, revealing that on average, agents use **8.2 different systems and tools every day** to solve customer queries. Only **16%** found this mix of tools helpful in resolving customer issues. Instead, contact centres need to use a unified customer service solution, consolidating all necessary tools into one streamlined application.

The key to this balance lies in having an **omnichannel contact centre solution** that integrates all channels into one platform. This way, contact centre leaders can provide a smooth and personalised service to the customers, regardless of how they choose to contact the organisation.

Related content: [Puzzel's omnichannel cloud-based contact centre solution](#)

Great EX leads to great CX

Contact centre agents are the ambassadors of the contact centre, setting the tone for customer experiences. To ensure great customer experiences (CX), it's essential to equip agents with superior tools, extensive training, and a positive work environment that fosters the employee experience (EX).

On a positive note, Puzzel's research shows that **58%** of contact centres have increased their commitment to staff training and development in the past year. Additionally, **45%** of contact centres have increased their workforce budget, demonstrating a strong dedication to employee growth and empowerment.

Moreover, **27%** of contact centres believe that AI will have the most impact on employee training and skill development in the upcoming year. This emphasises the role of AI in enhancing both customer service and employee capabilities.

According to Call Centre Helper, less than 10 per cent of contact centres have agents reaching proficiency in under two months and over a third take five to seven months, it's clear that the coaching process needs refinement. Training is the foundation of CX, and AI-powered tools can enhance the learning experience for both agents and managers.

Bonus tip: Set up regular workshops with the contact centre agents to create a collaborative way for them to engage in strategies and planning.



AI and self-service are here to transform

AI is not just a buzzword; it's a transformative technology that can create new heights of efficiency for contact centres. In the pursuit of seamless customer experience, AI and self-service tools emerge as cornerstones, bolstering both customer and contact centre performance, streamlining operations, and reducing costs.

Here are some statistics illustrating the impact and potential of these trends:

- **The adoption of AI tools:** A significant **66%** of contact centre leaders acknowledge the importance of implementing AI tools in 2024. This underscores the industry's prioritisation of investments in AI-driven solutions to enhance customer interactions and overall operational efficiency. AI tools like natural language processing, sentiment analysis, speech recognition, and predictive analytics can help contact centres understand and anticipate customer needs, provide personalised and relevant service, and optimise their processes and performance.
- **The rise of generative AI:** **39%** of contact centre leaders believe that generative AI for content and response will have the most substantial impact on the customer service industry in the next two years. Another **41%** believe that AI and machine learning will drive the most significant change in the industry. This underscores the growing importance of AI in reshaping customer interactions.

Bonus tip: In State of Contact Centres 2024: Part 2, we discuss AI and automation within the contact centre, and how these can enhance CX in 2024 and beyond.



The need for data and analytics in the contact centre

The transformative influence of data and analytics on customer satisfaction, financial performance, and operational efficiency in contact centres cannot be overstated. Despite this potential, Puzzel's survey uncovers a concerning trend: many contact centres are grappling with unsatisfactory data and analytics capabilities, as reflected in these figures:

- **64%** rate their customer journey analytics as average or below.
- **64%** rate their conversational analytics as average or below
- **63%** rate their speech analytics as average or below
- **63%** rate their customer insight tool as average or below

This deficiency in robust data and analytics can be due to various reasons. Often, contact centres manage to gather plenty of data, yet due to siloed approaches and the lack of recourses, they struggle to turn the data into actionable insights.

On a positive note, our survey signals a growing recognition of the importance of data visualisation and analytics, with **71%** of contact centre leaders recognising them as critical focus areas for 2024. Additionally, **25%** anticipate predictive analytics as a game-changer for the industry in the next two years.

Here are some ways Puzzel can help enhance the data and analytics in the contact centre:

- **Data-driven insights:** Leverage tools like **Puzzel Quality Assurance** to gather and analyse data on agent performance, customer interactions, and training progress. This data can help identify areas where improvement is needed and tailor training programmes accordingly.
- **Performance management:** **Puzzel Performance Management** provides a single, standardised framework for tracking and managing all metrics across the contact centre – in one place.
- **Predictive analytics:** Puzzel can employ AI to predict which agents are more likely to excel in specific roles or tasks, helping in more effective role assignments and career development planning.

By harnessing customer insights and transforming data into strategic actions, contact centres can not only gain a competitive edge but also significantly enhance customer satisfaction.

It's time to move to the cloud

A key element in ensuring a seamless CX is the adoption of cloud-based solutions. With **33%** of contact centre leaders anticipating outdated systems to be a challenge in 2024, and **40%** expecting budget constraints to be a problem, moving to the cloud is a strategic move going forward.

Cloud-based contact centre solutions (CCaaS) offer improved scalability, cost-efficiency, and flexibility, for both your customers and your contact centre. They also allow you to adapt quickly, innovate faster, and gain a competitive edge in the digital era.

Despite this advantage, only 11% of contact centres have fully embraced cloud solutions, with **46%** still relying on on-premises systems, potentially putting them at a disadvantage. Traditional on-premise systems often face limitations in scalability, increased costs, lengthy deployment processes, and a lack of adaptability.

Therefore, it is time to move to the cloud and leverage the power of omnichannel solutions to create a seamless and satisfying CX for your customers.

Bonus tip: With a cloud-based contact centre (CCaaS) like Puzzel, contact centres can support remote working and offer greater flexibility to their agents.

Related: Get insights into the European CCaaS market and understand why Puzzel won 'Company of the Year 2023' [in this report](#)

Conclusion

The future of CX and the rise of new technologies offer enormous opportunities for contact centre leaders in 2024 and beyond. By optimising customer journeys and meeting customers in their preferred channels with the use of advanced CX solutions and AI and automation, contact centres can lead the way in transforming CX in the digital era.

**Are you ready to experience the power of a cloud-based omnichannel platform?
Book your free [Puzzel demo today!](#)**

Are you ready to optimise your contact centre using AI and automation? In State of Contact Centres 2024: Part 2 - AI and Automation, we will take a deep dive into the key AI trends and predictions for 2024, and how they can help you enhance your customer service and satisfaction.

About Puzzel

Puzzel is the leading European provider of Customer Engagement Solutions. Every day, more than 1,200 organisations across 40 countries use our software to deliver smart customer experiences, blending the powers of people and technology to serve customers efficiently, effectively and with empathy. The Puzzel Customer Engagement Platform enables organisations to create rich journeys for their customers, with a mix of live and self-service experiences that give people the freedom to choose when, where and how they get help. Artificial intelligence is harnessed at every touchpoint to automate tasks, provide insight, and personalise service and support. We're proud to say we were named the most innovative European CCaaS provider in Frost & Sullivan's 2023 European Cloud Contact Centre Frost Radar. With 20+ years of experience in the industry, Puzzel is the CCaaS provider organisations trust when every moment matters.