

The expression "every cloud has a silver lining" means that even the worst events or situations have some positive aspect.

If there is a silver lining in our new normal, it's that organizations are quickly learning and adapting their business models and customer experience, while keeping people safe.

Cloud-based technology approaches, from driving digital-mobile first customer experiences to telephony and contact center operations, are quickly proving to be a clear winning strategy for companies large and small.

In this paper, we will review the benefits of cloud contact centers, explore ways to deal with unexpected demand, and discover how cloud services enable a business to deliver exceptional customer experiences. We will also compare the costs of operating a cloud contact center to the cost of a legacy on-premise hosted contact center.

"In this moment of clarity, boardrooms and leadership teams have realized what a blessing cloud vendors and service providers have been to their ability to serve customers virtually, keep remote workers productive, and even grow in spite of fragile supply chains."<sup>1</sup>

—Forrester



<sup>&</sup>lt;sup>1</sup> The Pandemic Recession Demands A Digital Response, Forrester Research, June 25, 2020.

## Legacy contact center approaches are failing businesses.

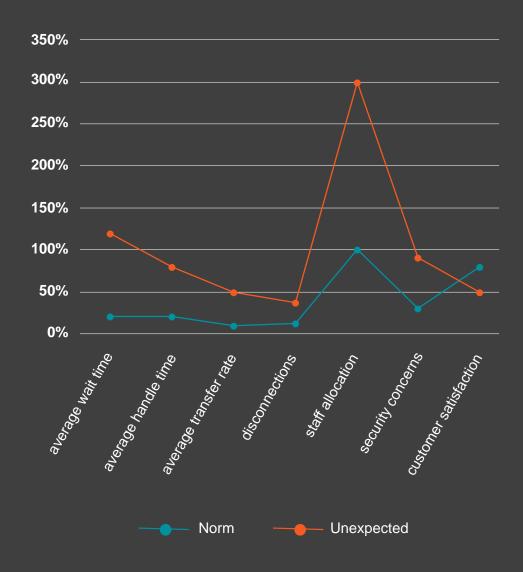
Even before the pandemic, many cost-focused contact centers were ill-equipped to handle unplanned call volumes, let alone the massive shift to work at home needed to sustain customer service operations while keeping employees safe. Call and text volumes were increasing by 20–50% a year as customers increasingly adopted new digital channels, while not yet fully abandoning traditional channels. Performance demands on existing contact center infrastructure and systems were increasing up to 20–50 times, bringing aged legacy systems and teams to their breaking point.

While many leaders could forecast seasonal demands accurately, forecasts and operations plans are not useful when interactions volumes range from thousands one day to millions on the next.

Figure 1 illustrates what many contact centers experienced. Overall operational metrics, such as average wait time, average handle time, transfer rate, disconnections, and security concerns, all increased, leading to lower CSAT scores and customer attrition. When combined with staff allocation issues, the result was higher overhead costs and an even greater loss of revenue and margin opportunities.

Figure 1

CONTACT CENTER TRENDS DURING COVID-19 PANDEMIC



## The pandemic opened the eyes of many contact center leaders.

They realized just how fragile and inflexible their mission-critical customer facing operations had become, learning these lessons the hard way:

- To handle unpredictable demand, you need an infrastructure that can respond to business activity in the right way, at the right time.
- Security, compliance, and fraud avoidance needs to be easily extendable beyond brick-and-mortar, on-premise operations to include remote work.
- Scaling network, storage, server, and application capacity in a traditional on-premise environment was not always easy. To offset challenges, many vendors extended "free" licenses and support.
- Outdated, underinvested systems were too rigid to respond quickly, and making changes required longer cycles due to limited staffing and proficiency in specialized skills.
- Frequent patches to legacy systems led to additional downtime and outages, as custom integrations between systems were too fragile for wholesale work-at-home modes.

While many were caught off guard, organizations are adapting and rethinking their CX strategies and business from a mobile-digital first perspective, as well as implementing more interactive, high value digital self-service using technologies like conversational AI to enable human-like interactions with same or reduced human staff.

If the on-premise pain points described above sound familiar, cloud has many welcome benefits.



# The Cloud: What's in it for businesses—and how much does it cost?

While cloud-based platforms and contact centers are still evolving, they have definitely matured and are driving significant benefits:

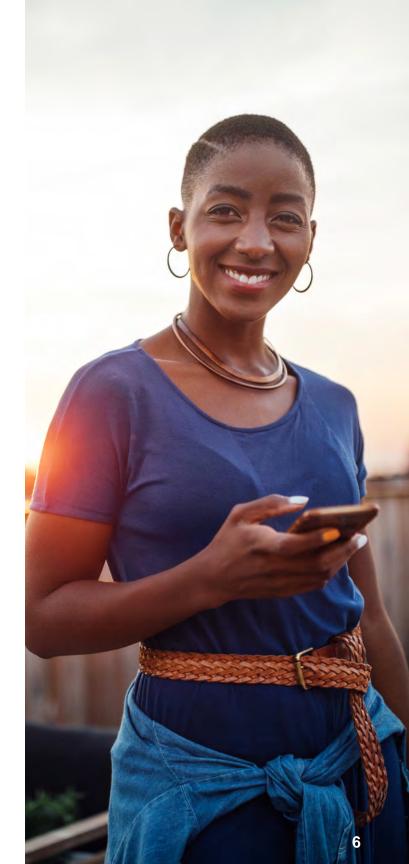
- Easily stand up enterprise-class voice and multichannel contact flows in minutes rather than weeks or months.
- Deploy and scale up or down voice and data workloads to any volume—whether it's normal seasonal business cycles or unplanned events—without interruption.
- Create context-aware, human-like dynamic interactions with voice and chat bots to provide personal and dynamic customer experiences.
- Leverage readily available telephony hardware infrastructure to process voice workloads.
- Take advantage of fully redundant sites to ensure availability and security in case of a disaster or emergency.
- Ensure consistent security, compliance, and HIPAA and PCI regulatory compliance requirements whether staff are in the office or working remotely.



- Integrate with CRM and enterprise applications to create natural and dynamic experiences.
- Change contact center workflows in real time without going through a long product development lifecycle.
- Seamlessly update voice and digital capabilities, without long upgrade cycles or interrupting business operations.
- Monitor your contact center solution 24X7 to detect and alert for operational issues.

#### Consider the following factors when comparing on-premise to cloud:

	On-Premise	Cloud
Investment	Large, up-front CAPEX	Pay-per-use OPEX
Flexibility	Slow to respond to change	Designed for rapid change
Time-to-market	Lengthy IT infrastructure integration, update, and provisioning times	Ability to provision in minutes or days, not months
Scalability	Difficult to scale	Easily scale up or down, according to demand
Maintenance	Dedicated, specialized IT staff to maintain CX AI systems	Lower IT staff cost
Integration cycles	Longer cycles	API-driven architecture for faster integration



### Cloud sounds good, but can you afford it?

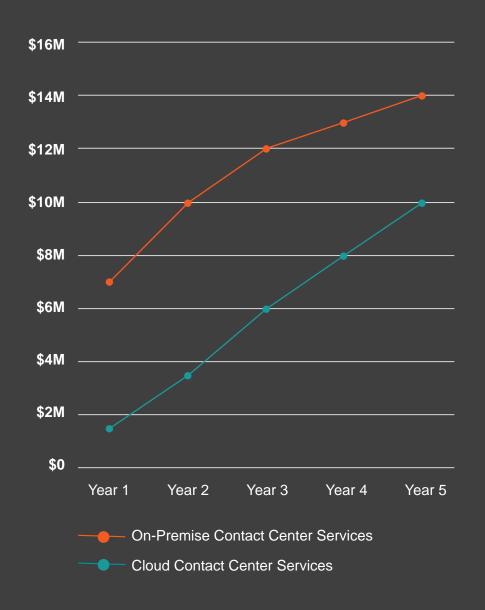
The better question might be, can you afford **not** to move your contact center to the cloud? A typical large contact center usually costs millions of dollars and takes months to years to fully implement. With cloud, you don't need to spend any up-front CAPEX on software or platforms—and you only pay for actual interactions and usage.

Figure 2 is a high-level comparison of total cost of ownership (TCO) for illustrative purposes. Keep in mind that your technology footprint and the integration of applications and machine learning/AI services for automation can have a big impact on TCO calculations. Costs of key facility, technology, and security components considered for comparison for a 500-agent contact center:

- data center
- telephony hardware infrastructure
- telephony software
- telephony usage
- server infrastructure
- network
- storage
- carrier circuit
- reporting and analytics

- hardware and software planned upgrade and maintenance
- 24X7 support
- technology staffing
- data recovery
- licenses and renewals
- HIPAA/PCI security
- custom integration
- professional services

Figure 2
TCO: ON-PREMISE VS. CLOUD
CONTACT CENTER SERVICES



## What should you expect in your journey to a fully cloud-based contact center?

Cloud platforms have come into their own, offering major resiliency, flexibility, cost, and speed-to-market advantages over traditional systems. And, standing up a basic voice contact center with call routing, IVR, simple chat bots, and basic reporting may be easier than ever. But, enabling rich, fully personalized omnichannel experiences still takes cross-functional skill, persistence, investment, and effort, whether delivered via the cloud or some other way not even invented yet.

Whether you're just getting started or further along in your journey with cloud, be sure you know what to expect. Your journey to a fully cloud-based contact center will be as unique as your business, but here are some future implementation phases to consider:

- Integrations with CRM, enterprise applications, conversational AI, and customer journey orchestration to create context-aware, personal, and dynamic customer experiences with maximum automation possible within your enterprise environment.
- Customize and tailor chat bots and virtual assistants to handle all business processing and
  activity without human agent involvement. Today, conversational AI supports a wide range of
  uses, including, sales, payments, reservations, service, and account management.
- Empower your contact center staff with customer journey maps to provide visibility to all customer interactions across all channels.
- Empower your customers and provide seamless, true digital and omnichannel customer experience via voice, text, social, web, mobile, SMS, and messaging channels.

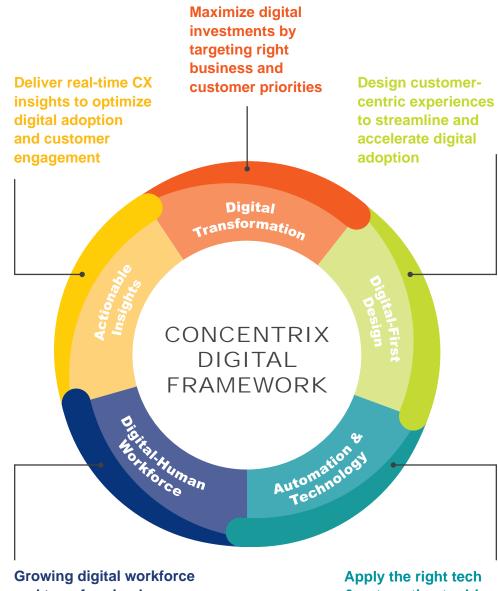


Is your existing on-premise contact center solution meeting your business needs and delivering value?

If not, cloud approaches may be your next best step towards creating the digital-first customer experience your business needs.

When looking at a cloud contact center implementation, it's important to have the right solution partner—one with superior CX skills and expertise beyond the cloud platform that you can trust to help you execute your plan, and who understands your industry, customers, and operations.

As the industry leader in customer experience and contact center operations, Concentrix is that partner. Our comprehensive digital framework goes beyond the cloud to provide everything you need for an exceptional customer experience.



and transforming human operations

Apply the right tech & automation to drive digital outcomes and business efficiencies

### YOU DON'T HAVE TO GO IT ALONE!

In this time of uncertainty, Concentrix's "contact center as a service" managed service offerings and guaranteed business outcomes reduce your risk and help you and your customers realize the benefits of the cloud more quickly.

Let our team of experts help you identify and execute the plans and strategies you need to achieve your goals.

To learn more, visit www.concentrix.com/solutions/cloud-contact.

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