



How the Accelerating Convergence of CRM and Contact Centers is Driving Better CX



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CRM Has Flourished in the Cloud...

While today the use of customer relationship management software (CRM) has become almost a *de facto* standard, its rise to this elevated position has not happened overnight. Paralleling the rise of computing, it started with digitizing the Rolodexes of an earlier time, first in mainframe computers using custom relational databases. The next move was to personal computers and the era of database marketing. This was followed by salesforce automation and then, in 1995, the first software using the name “CRM.”

Twelve years later, in a loft in Copenhagen, Sweden, Zendesk was born, with the goal of reinventing customer service and the help desk in the cloud. As we head into 2020, cloud customer service software rules the day, the deployment choice of a reported 80 percent of all CRM deployments.

...But the Contact Center Has Been Slower to Transition

Twenty years ago, contact center and CRM software were on a converging path. In 1998, then-CRM market leader Siebel acquired Scopus for \$460 million to add cutting-edge call center technologies to its application. In 1999, Nortel (then holder of the number-two spot in call center market share) purchased Clarify (with a 21 percent share of the CRM market) for \$2.1 billion.

Changes were happening in the PBX and ACD markets as well. Switch vendors began reinventing their PBXs as application servers. Perhaps the strongest statement from a vendor attempting to make this hardware-to-software transition came from Aspect Communications. The company's president at the time said, "I am pleased with the progress we have made during 1999 in the company's transformation from a telecommunications equipment supplier to a provider of CRM solutions."

"The call center market is broadening to address customer relationship management as opposed to mere transaction management." These words were written by me in a report, *A New Call Center Paradigm: CRM*, published in 1999. The report went on to say, "New partnerships between solution providers and systems integrators will drive how quickly CRM solutions become part of the call center landscape."

Contact center and CRM together seemed like a match made in heaven. However, something went horribly wrong. Within two years, Nortel had sold Clarify to Amdocs for less than 10 percent of what they had paid, for just \$200 million.

One of the things that went wrong was the tech bubble exploding in 2001. Another is alluded to in the comment above about partnerships between solution providers and system integrators being key to call center/CRM convergence. What enterprises who attempted to deploy both solutions together found was that there was an inherent inability to integrate hardware-based ACD applications with software-based customer relationship management.

It is Past Time to Bring It All Together

The converging dynamics of consumers demanding better services and companies recognizing the limitations of ad hoc, patchwork customer experience solutions has resulted in the term digital transformation being elevated to the top of to-do list of both Chief Information Officers (CIOs) and Chief Marketing Officers (CMOs) worldwide.

From a CIO perspective, modernizing IT infrastructure and improving operational agility typically top the list of objectives. The ability to support product and service innovation with increased speed is an associated goal.

CMOs expect that resources invested in digital transformation will allow them to understand the behavior of their customers better, personalize the customer experience, and engage with customers to build lifelong relationships. The goals haven't changed in the past decade or so, but the tools required by CMOs to meet these goals have. Customer relationship management and journey management have taken on new meanings in the digital age.

Those of you that work in contact centers and other customer care departments have probably already seen the impact of digital interaction channels like web text, social media and messaging. Customers have constantly

changing expectations about what makes a “good” experience. Meeting these ever-changing expectations requires changes not only in the contact center but also throughout the company.

Companies increasingly understand the importance of offering customers the flexibility to choose their method of communication, whether it’s SMS, email, chat, voice, and so on. In addition, agents require seamless context and navigation of the channels customers have used. Capturing the full context and history of the customer’s journey, and delivering it to agents, ensures the intelligent, smooth, and consistent customer service and increased likelihood of first contact resolution customers deserve. When agents can provide phone support from the same platform they use to manage all other channels, agents can focus on resolving issues instead of workflow.

The bad news is that a large percentage of companies continue to operate with suboptimal agent and customer solutions. The good news is that in the past few years, the mechanics of bringing cloud CRM and newly cloud-based contact center together have eased, allowing convergence to become a reality for a growing number of firms.

In the sections that follow, we will highlight three such companies. Two have chosen to deploy Zendesk with Zendesk Talk to meet their voice contact center needs. The other has integrated Zendesk with a leading contact-center-as-a-service solution, from Five 9. We will detail the situations that drove the change to integrate CRM and voice communications in the cloud as well as the benefits they have derived since implementation.

HumanN

For the last five years, HumanN products have been inspiring people to do all kinds of extraordinary things. The company wants every human to live up to the potential inherent in the human body. Through a nitric oxide-enhancing line of functional foods and supplements, HumanN exists to help people reach their full potential. The company strives to help people push harder, achieve greater and finish stronger in whatever it is that matters most to them.



As part of its brand promise, the company commits that all communications will come to customers as HumanN. The statement is a promise to deliver timely, efficient and genuinely caring customer service. A time came when they decided they could do better.

Multiple Systems Creates More Work for Agents and Customers

In mid-2017, HumanN’s customer support department was interacting with customers over inbound and outbound phone calls, email, chat, and social media. The team was using multiple systems that were inherently unable to support an omnichannel approach. Agents working with a customer in one interaction channel, say email, were unable to see previous interactions that took place in different channels, for example, a voice call or a social media interaction.

Each interaction channel had a dedicated platform – there was one solution for email, one for chat, and another for phone calls -- which meant it was tough to track issues through to resolution. It meant more work for agents to handle customers on a relationship basis. There was duplication of effort by the agents throughout the department and frustrated customers.

The issues HumanN was having handling customer interactions in three separate platforms were exacerbated when customers had difficult issues to resolve. Not unlike many companies where interaction channels are unintegrated, HumanN had situations where a customer would reach out on web chat and not get the answer they liked, and then they would send an email. If HumanN didn’t respond quickly to the email, the customer would then place a voice call.

Being on three different platforms was frustrating for both the agent and the customer because often the phone agent didn’t even know that chat or email conversations with the customer had taken place. The answer given by the voice agent could be completely different or take a different tone than that provided via web chat or email.

One Platform Alleviates Frustration

Knowing there had to be a better way, HumanN hired a new manager of customer support in September 2017, with the mission to re-imagine the department. After seeing the three different platforms that were being used to handle interactions coming from customers, he set about trying to understand how that was impacting customer care.

No Matter What Channel They Come In On

“A customer concern is a customer concern no matter what channel they come in on. I want to be able to report on that to the entire company so that we can try to improve the customer experience.”

The most important business driver for changing the status quo was the need to understand the full customer experience; what was driving them to call, chat or email. “A customer concern is a customer concern no matter what channel they come in on. I want to report on that to the entire company so that we can try to improve the customer experience.”

Companies often wonder whether to dedicate agents to specific channels or have all agents prepared to accept interactions from all available channels. With its new, integrated system, HumanN initially tried the latter approach. HumanN had agents available in all channels all the time. As agents logged on, they were available for either phone or chat interactions. If they weren't receiving inbound contacts, agents were served with email tickets to handle.

HumanN found that having agents handling all interaction types “became a little bit overwhelming for our agent population.” What they have settled on instead is assigning agents to the channel - email, chat or voice - where they have the best resolutions and customer satisfaction scores. Email and chat agents will stay dedicated to those channels unless there is a high call volume – in which case it is all hands on deck.

What is different now, with a single solution for CRM, ticketing, chat, email, and voice, is that information from previous interactions are easily accessible by whichever agent serves the customer next. Also, when receiving escalated requests, the escalations team can easily see the entire customer interaction history to research issues. “It just takes a few clicks to fully see a customer's history of interactions with customer support.”

Equipping Agents for Issue Resolution

Have you ever been in a position where an agent is about to read off a lengthy tracking number or complicated address? How often have you been asked first by that agent if you would like the information emailed instead? Probably not very often at all.

Agents Love Zendesk

“Agents love Zendesk. It's a breath of fresh air in an industry that's known for using "legacy" and outdated systems.”

After completing its move to Zendesk with Zendesk Talk, Chat and Support, that's precisely what HumanN agents are able to do - a simple improvement for both the agent and customer. Whether it's a refund confirmation, order numbers, or some other type of data, customers receive their requested information, and agents can use macros to ensure the follow-ups are quickly and accurately accomplished for everyone involved.

Zendesk's omnichannel solution has resulted in agents working toward overall issue resolution, rather than in providing a one-off, pleasant interaction with a customer. Access to a full view of a customer's interaction history has meant that agents are more invested in root-cause analysis and reporting possible issues to the business. This has led to quicker and more informed escalations when business issues are affecting the customer experience.

HumanN agents have often worked for other customer care operations and have been exposed to multiple versions of contact center and CRM software. HumanN reports, “Agents love Zendesk. It's a breath of fresh air in an industry that's known for using "legacy" and outdated systems.”

Roadie



Roadie is the first “on-the-way” delivery service. The goal is to put extra space in passenger vehicles to work by connecting people with items to send with drivers heading in the right direction. Roadie’s collaborative model enables fast, flexible, low-cost delivery for senders and rewards drivers for trips they were already taking.

Roadie works with retailers, airlines, and grocers to enable a faster, more efficient, and more scalable solution for same-day and last-mile deliveries nationwide. Since its launch in 2015, Roadie has delivered everything from cupcakes to couches to more than 11,000 cities.

Born in the Cloud

One could describe Roadie as a “born in the cloud” company. It is a participant in the sharing economy phenomenon that began with Airbnb and Uber and has expanded to countless other types of businesses. Like these earlier collaborative economy businesses, Roadie depends on the internet and mobile applications to provide its services and extends that mindset to its customer care operations.

From day one, Roadie was a Zendesk user. “We just knew that we were going to need to provide a significant amount of customer support. Also, we knew that using some kind of primitive technology wasn’t going to be enough for us - from an organizational or volume standpoint. We decided early on to invest in having a decent platform.”

When Roadie chose Zendesk, they did it with an eye toward selecting a CRM solution that would grow with them. Initially, Roadie was a relatively small operation, so cost wasn’t an issue – they only paid for the number of licenses they needed. “It made sense to start with something that we knew we could grow into.”

Time for a Voice Tune-Up

Like many small, digital businesses, Roadie’s first approach to handling voice support calls from customers was a virtual phone system that allowed employees to use an application on their mobile phones. Within a couple of years, the company found it had outgrown the solution.

The existing system wasn’t able to scale as Roadie needed to grow. The specific limitation was the fact that every call rang to the phone of every person on the team. When the team is small, that works. As it grew, it became unmanageable. As the company and customer support team grew, Roadie also began to understand the need to be able to record calls, and the advantage that would provide to better evaluate and manage the customer support team.

External and Internal Benefits with Talk

Roadie reports that after the implementation of Zendesk Talk, they can be more responsive to their customers. “Talk offers flexibility, from a configuration standpoint so that we can route certain calls to a certain group of agents versus other calls to a different group of agents. It means providing higher level phone support to our users because we can make sure that a call gets routed to the right person at the right time.”

Higher Level Phone Support

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Roadie says that Talk has also made a big difference in the management of the customer support department. As noted above, Roadie is using call recording to support agent quality management. Talk also allows Roadie to integrate the details of a voice call with all the other interactions they have had with a single user or related to a single issue. Having that information centrally located and easy to find allows them to manage overall quality, which enables them to provide better support to users.

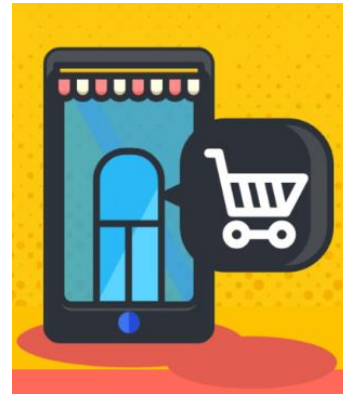
Six months after implementation, Roadie began to understand that there were features of Talk that they could use to improve their business processes. With much more sophisticated metrics available on its voice calls, Roadie is looking at how they can collect different information about phone calls to identify what trends are going on in the business. Customer support can provide that information to the product team, so they can understand how to improve current products and perhaps even create new ones.

Mobile Payment App

Note: Mobile Payment App has been a Zendesk customer since 2016. The company prefers to be referred to in this paper using a generic label and will be referred to here as Mobile Payment App, or MPA.

Mobile payment is defined as contactless payment without cash by using mobile devices. Instead of paying with cash, check, or credit cards, a consumer can use a mobile phone to pay for a wide range of services and digital or hard goods. MPA offers payment services operated under financial regulation and performed from or via a mobile device.

A growing phenomenon in developed markets, mobile payments have been especially successful in developing markets where previously underbanked consumers have been able to take advantage of new mobile infrastructures.



Regulatory Changes Drive Need for CRM Integrated with Voice

In the United States, the typical user of mobile paying methods is between 30 and 44 years old, is college-educated and has an above-average yearly salary. MPA, founded about ten years ago, initially built its customer support processes to address that target market. Offering customer care over email, web form and chat was both necessary and sufficient to serve its users, and that was MPA's initial approach.

Mobile payment is a relatively new market, and as such government regulations continue to evolve. In early 2016, MPA began to prepare for a regulatory environment that would require them to offer telephone-based customer care to their users in addition in digital interactions like chat and email. "When we learned there would be a regulatory requirement for phone support, we knew right away that we should start looking for a better CRM system, that would integrate with a phone system."

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Enterprise-Grade and Cloud-Based

As a startup, MPA had initially selected a customer trouble ticket system that was inexpensive, quick to implement but with correspondingly simple capabilities. The existing solution was designed for companies in the small-medium business (SMB) market segment and had served MPA well when they were an SMB business.

MPA realized that the regulatory requirement to add voice-based customer support offered an opportunity to select a true customer relationship management solution – not just a ticketing system - that would not only allow MPA to offer tightly integrated voice customer care but offer true omni-channel customer journey management functionality. MPA now needed an enterprise-grade CRM solution that could seamlessly integrate with an enterprise contact center solution.

The option to deploy a premises-based CRM or contact center solution was never considered. According to MPA, "We knew that we weren't going to be able to stand up a server or have a telecom team that maintains a system and make updates. We wanted something that was easy to use. We didn't have IT staff to dedicate to a solution that wasn't cloud-based."

Supporting Rapid Growth

After an investigation of the solutions in the market, MPA selected Zendesk integrated with a contact center solution from partner Five9. Zendesk is the new CRM solution and is also used to manage chat and email interactions with customers. MPA selected Five9's contact center because of the depth and ease of its integration with Zendesk. According to MPA, "the way the agents access the phone is through an adapter that plugs into Zendesk as an app." The fact that two of the decision makers at MPA had successfully used Five9 earlier in their careers served to cement the selection of Five9. "We could get Five9 up and running pretty quickly."

Two years after deploying Zendesk and Five9, MPA reports the integrated solution plays an important role in the ever-growing company. The fact that both applications are cloud-based easily supports the company's current pace of adding tens of agents every month to the hundreds of employees already using the combined solution.

An Effective Workforce Management Tool

Prior to the implementation of Zendesk with Five9, MPA didn't have a systematic way to manage agent time. "We didn't know when agents were taking their breaks. We knew when they were going to the lunch because that is on their schedule, but we really didn't know if they were coming back on time."

Those familiar with contact center software will know that one of its key attributes is the ability to manage what is known as agent state. Agent state refers to the availability level of a particular agent. An agent can be classified as either available to receive interactions (i.e., ready) or classified as unavailable to receive such interactions. (i.e., not ready) The state is managed on a per media basis, i.e., ready for a voice interaction, ready for a chat, or ready for an email etc.

With hundreds of agents doing general customer support, as well as employees working in dispute management, fraud and e-commerce partner support, MPA uses the Five9 capability to be able to manage employee adherence to their schedule much more closely. "Now, our supervisors can look at a supervisor screen and see exactly where their people are. They know who's at lunch, who is on break, who is in chat, who's on phone calls, who is taking email, and who is on a special project. They can have visibility to that." Because of the increased visibility that Five9 data provides, MPA says that they have improved efficiency. They find that agents are more productive because they are staying on task.

Digital Transformation Meets Customer Experience

Despite its name, the focus of digital transformation is not on technology but on customer experience. Technology has not only changed how consumers shop, but also how they find products and interact with organizations. One can think of digital transformation as keeping up with technology for the customer's sake, something each of the companies discussed here accomplished by combining CRM and contact center into an integrated solution.

Visibility for Supervisors

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Many companies can identify the challenges faced by HumanN as they looked to re-design their customer support operation. Over the years, as they sought to meet customer demand for support in a variety of digital channels, they added dedicated systems for those channels. Over time, as customers channel-hopped in systems that were unconnected, they realized the need to re-architect their operation.

Roadie, a company born in and flourishing in the cloud, initially chose two cloud-based systems for customer support, one for ticketing and one for communications. As they grew, and as cloud contact center technology options continued to improve, they recognized the need to upgrade and enhance their solution to provide a more personalized and integrated experience. The combination of Zendesk with Talk allows them not only to continue to grow their business in the cities they currently serve but to add new cities to the company's footprint seamlessly.

When it comes to digital transformation, MPA “is definitely a disruptor when it comes to the financial space.” A re-examination of their customer care department was prompted both by the need to comply with government regulation as well as an expanding customer base that included groups more comfortable with voice communications. In the future, MPA will use the integrated cloud platform they have created with Zendesk and Five9 to expand their use of artificial intelligence beyond the early steps they have with chatbots.

As seen in the stories of the three companies discussed here, keeping abreast of technology in customer support and the contact center means different things to different companies – depending on their starting point. Perhaps the key takeaway from these stories is customer care should always be evolving, with the goal of constant improvement for both internal and external stakeholders.

About Zendesk

The best customer experiences are built with Zendesk. It’s customer service and engagement products are powerful and flexible, and scale to meet the needs of any business. Zendesk serves businesses across hundreds of industries, with more than 125,000 paid customer accounts offering service and support in over 30 languages. Zendesk is headquartered in San Francisco, and operates worldwide with 16 offices in North America, Europe, Asia, Australia, and South America. Learn more at www.zendesk.com.

About McGee-Smith Analytics

Sheila McGee-Smith, the founder and principal analyst at McGee-Smith Analytics, is a leading customer experience industry analyst and strategic consultant with a proven track record in new product development, competitive assessment, market research, and sales strategies for customer care solutions and services. Her insight helps enterprises and solution providers develop strategies to meet the escalating demands of today's consumer and business customers. She is the contact center track chair for [Enterprise Connect](#), and her views on the market can regularly be found on NoJitter.com and through her Twitter feed [@mcgeesmith](#).