



How Canadian Companies Can Thrive in a Digital World with CX in the Cloud



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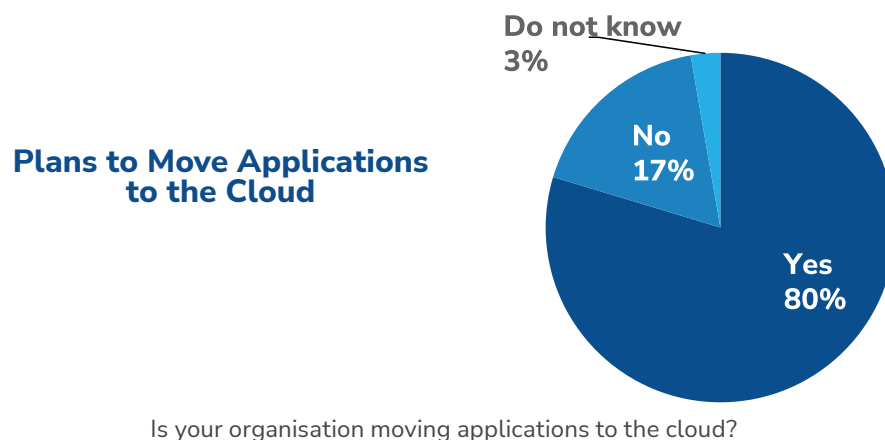
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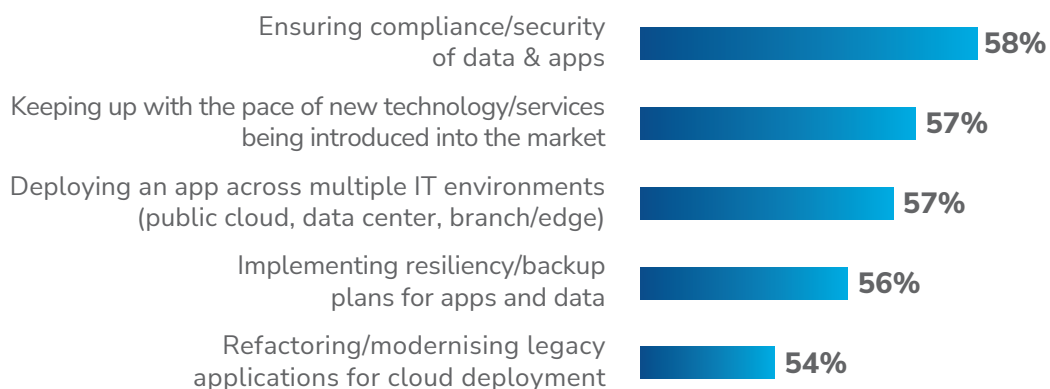
Barriers to Cloud Contact Centre Adoption

The disruption in business continuity fueled by a global pandemic, economic uncertainty, and political volatility persuaded more than 80% of organisations worldwide to start moving applications to the cloud by the end of 2022.¹ Several factors influenced this transition. The COVID-19 pandemic changed how customers interact with businesses. Long wait times and inconsistent customer care caused by severe staff shortages drove even non-digital-savvy customers to shop online, use self-service capabilities, and complete transactions digitally. At the same time, customer expectations have risen higher than ever. When they do not experience seamless interactions and speedy resolutions, the digital environment makes it easy for customers to switch to a competitor.

EXHIBIT 1: Cloud Trends and Challenges: Global, 2022



Cloud Initiative Challenges, Top Five Cited as Crucial or Very Important



Base: All respondents (n=1210)

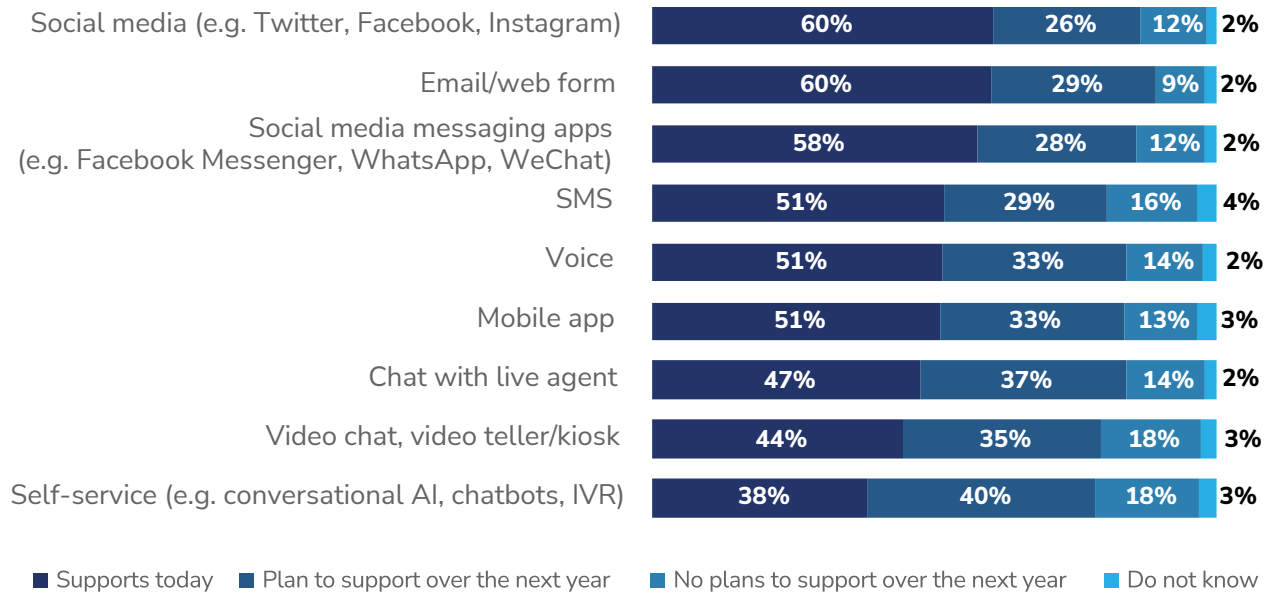
As you implement your cloud initiatives, how challenging are the following aspects? Scale of 1 to 5 : 5 = Crucial — Halting the initiative and 1 = Not Important – No Impact on project; Top 2 boxes = Crucial and Very important

Source: Frost & Sullivan

¹ Frost & Sullivan 2022 IT Decision Maker Survey

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EXHIBIT 2: Interaction Channel Investment Plans: Global, 2022



Base: All respondents (n=1210)

Which of the following interaction channels does your organisation support today, plan to support over the next year or have no plans to support?

Source: Frost & Sullivan

When a cloud strategy is executed well, companies can take advantage of the latest technologies to deliver excellent customer experience (CX) in a more cost-effective and flexible IT environment. However, Canadian companies have been slower than other countries to transition their CX applications to the cloud, citing integrating systems and applications, handling the IT needs of remote employees, and lacking security capabilities as the top deterrents.



Integration: Integration is a critical factor in successful cloud implementation for Canadian companies with legacy systems that need to run their course or those that have underlying technology that must be included in the digital transformation framework. If application programming interfaces (APIs) are not properly integrated, CX solutions do not function well. Disparate systems and remote locations create more points where security capabilities can fail.

Staffing: One of the most significant contact centre challenges has been maintaining proper staffing levels. The Great Resignation exacerbated this problem. When contact centres had to move agents to work-from-home setups in 2020, organisations recognised that many workers are more productive when they work remotely, compelling contact centres to adopt a hybrid, flexible work model.

Security: Integration and staffing issues play a role in testing the IT team's capacity to ensure network security, which is crucial to address before moving to the cloud. Dr. Shrinivas Kulkarni, who has a Ph.D. in security and a principal at the Cybersecurity Governance Risk and Compliance department at Bombardier, is not confident about moving data to the cloud without a thorough evaluation of the processes to ensure a high level of compliance and network security. "There's no clarity on securing customer information across channels, especially when the channels are moving to the cloud," Kulkarni says. He adds, "There's a human-less opportunity for an organisation to step up and work towards it."



"There's no clarity on the end-to-end channel when it comes to securing the customer information, especially when they're moving to the cloud," Kulkarni says. "There's a human-less opportunity for an organisation to step up and work towards it."



These are short-term issues as IT managers evaluate the myriad application options to ensure a smooth transition. This paper shares insights on critical decision-making factors when moving CX applications to the cloud.

Journey to the Cloud: Risk vs. Productivity

Moving to the cloud is inevitable for most industries. But companies must first evaluate the risk vs. benefits equation. An organisation's strategic direction and corporate objectives can be unclear. While the head of operations focuses on improving productivity and key performance indicators (KPIs), the IT team remains concerned about risk factors such as security breaches and governance.

When not integrated, adding touchpoints such as chatbots, video, or social media messaging creates a greater risk of delivering poor CX. Joe Bernier, Member Experience Manager, Saskatchewan Blue Cross, finds that managing changes when agents use multiple, unintegrated screens is cumbersome.

"Reducing the number of screens to increase agent productivity is so alluring and exciting that it far outweighs the risk of adding channels," he says. However, it depends on how many touchpoints and risk points the company has; the more it has, the greater the challenge. "Next year, when we add chat and chatbots and start transferring information through these channels, we have to decide whether we will allow them to touch our internal systems and claims information as it becomes much dicier," says Bernier.

Many Canadian companies agree that managing change is critical, and it's best not to rush the process. Michael McCullough, Director of Contact Centres, Government of Alberta, suggests organisations work out the bugs in one centre to have a better, more consistent first impression, then bring other centres onboard.

"Organisational change management and communications have absolutely been critical, as well as ensuring we have a voice and representation of the staff," says McCullough. "We have to implement it consistently and minimise customisation."

The advice shared by early contact centre solution adopters has remained the same during the past five years: Take the time to closely examine what's going on with processes and workflows. Find champions who can successfully use the latest tools and share their positive experiences with the rest of the teams to bring them on board quickly—then add other capabilities to the cloud.

In the end, an organisation must manage risk, but doing so cannot impede business from moving forward. Self-service interactions can address the security issue by eliminating human error and securing data in a closed loop so that it remains in a managed environment.

Leveraging the Benefits of Cloud to Improve CX

Frost & Sullivan's latest IT decision-maker survey reveals that the top ways companies measure their digital transformation success include cost savings from automation, talent acquisition and retention, and customer satisfaction. CX in the cloud can deliver on all these.

Reimagining the Impact of Cost Reduction on CX

When organisations talk about increasing the level of containment they can leverage from AI in the cloud, the discussion can move swiftly from cost reduction to improvements in the quality of customer experience and satisfaction.

Ultimately, self-service can improve the top line. Srinivasan Raghavan, Senior VP of Product Management for Five9, provides insight on another valuable aspect of cost.

“One of our digital customers grew by 1,500% in the last three years by adding these capabilities in the cloud,” says Raghavan.

“If you're not in the cloud, your IT team is constantly trying to upgrade the IT infrastructure and spending time on it.”

Talent Acquisition and Retention

With 90% of organisations planning to have some employees working from home, implementing hybrid models will be crucial to finding and keeping the best talent, creating a flexible schedule environment, and improving productivity.² Dynamic scheduling and shift-bidding are key strategies to leverage talent. With dynamic scheduling, companies can have agents jump on and off throughout the day at different times as individual schedules allow.

An AI-enabled workforce is a mix of automation, including intelligent virtual assistants, chatbots, voice bots, and agent-assist technology. These technologies help agents boost effectiveness and deliver better CX by automating tedious tasks and providing timely information from multiple sources.

Customer Satisfaction

Bernier recognises the value of cloud-based tools for effectively supporting remote agents. “Right now, 100% of our agents work at home. In the old days, you had to worry about power outages, fires, or outbreaks in the building,” he says.



“Contact centres are dealing with a huge amount of attrition for various reasons,” says Raghavan. “One way to reduce that attrition is to ensure that your agents are onboarding much faster. AI can help by guiding them on how to do their job much more effectively with real-time training.”

“With everybody at home and your system in the cloud, the internet would have to go down in multiple areas to lose all your agent resources simultaneously. It would have to be catastrophic,” says Bernier. “With the cloud, you eliminate a lot of risk in terms of the system going down.”

² Frost & Sullivan 2022 IT Decision Maker Survey

The Last Word

The transition of CX applications to the cloud will move quickly once security and integration issues have been ironed out. Organisations do not need to bring their entire on-premises infrastructure to the cloud at once. Crucial steps include proceeding slowly to understand what they can and cannot automate, engaging the best agents in the process, and evaluating initial successes and failures. The next task is to apply the lessons learned to future implementations and bring other channels into the cloud more proficiently.

Many organisations accelerated the adoption of self-service capabilities in the past two years, allowing them to significantly lower the cost of customer interactions. About 77% of Canadian companies support this effort, and many are leveraging the cloud to bring these tools into the fold.

Self-service improves customer satisfaction metrics as customers shift away from using voice or live agents as their first point of contact. Self-service inherently helps reduce call abandonment rates and improve service when customers can resolve their issues faster than with a live agent. When self-service has proven to work in the cloud through the faster installation of AI and speech technologies, it is easier to attain funding for more interactions through self-service tools.



The cloud option allows for flexibility; organisations can add layers of the solution slowly, assess agent and customer acceptance of the newer channels, and retract if an application or process is not working well. Conversely, a business can implement a solution quickly when needed. For example, it can swiftly add messaging capabilities when there's an influx of calls due to an outage.

McCullough says his organisation accelerated its five-year technology roadmap of implementing self-service, chat, and robotic process automation for email.

“By going to the cloud this year, we’ve probably knocked about three years off our timeline,” he says. “We’re implementing functionality on a two to three month cycle now.” This proves that investing in the cloud can improve CX much faster, which could be crucial for a company’s survival in this new digital age where customers demand excellent experiences every time they interact with a company, regardless of channel.

This article was written by Alpa Shah, global vice president of Frost & Sullivan’s CX practice, as a summation of a recent Virtual Think Tank conducted by Frost & Sullivan.

Joe Bernier, Member Experience Manager, Saskatchewan Blue Cross

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Michael McCullough, Director, Contact Centres, Service Alberta, Government of Alberta

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