



# Contact Centres

Achieving the best value and efficiency  
from contact centre contracts



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# Contact centre contracts

How to leverage market trends to achieve great value and efficiency

## Introduction

Contact with public sector organisations is driven by the need to access services, comply with regulation and get information and guidance.

The growing use of digital solutions and the changing communications landscape is increasing the many touchpoints in people's lives – and changing the way citizens want to access these public services. These include...

- telephone calls
- emails
- web chat
- mobile apps
- social media
- internet
- self service
- robotics/artificial intelligence (AI)

Embracing the latest digital innovations can help you make impressive improvements to your contact centre services – and has the potential to reduce your costs. But getting started can be complex and challenging.

This guide will help you develop an innovative procurement strategy that will ensure your contact centre services provide great customer service – whilst also helping you achieve commercial savings and efficiencies.

## What you'll learn

- The importance of benefiting from private sector best practice in the light of changing preferences
- How trends and preferences can help balance costs
- An overview of generational preferences
- How to take steps to assess your needs



# Market trends

Your customer engagement strategy – and subsequent procurement strategy – needs to respond to the changing preferences of citizens:

- **Digital channels** (email, web chat and social media) are expected to account for 28% of inbound interactions by 2021\*
- There has been a pronounced shift towards the use of integrated **omni (multi)-channel** solutions, as organisations respond to changing consumer preferences
- **GDPR** has placed increased controls on suppliers e.g. with regards to call recording
- There's been a notable decline in the popularity of **telephony** which corresponds to age (see page 4 for more details)
- Lower overheads, time zone flexibility and flexible working are contributing to an increase in **home-based agents**

\*Source: Contact Babel

Whilst public sector pressures differ from the private sector there are significant opportunities to learn from and adopt private sector best practice.

This means, as a public sector organisation, it's important to be thinking about automating simple citizen engagement interactions where possible, so skilled agents can focus on handling complex calls and meeting the needs of more vulnerable groups.

Increasingly **AI and robotics** is being used to automate voice conversations that are transactional and add little value to the customer journey. As a consequence, the supplier market is positioning itself to service high-end voice calls that require an empathetic and experienced workforce.



# Market/cost drivers

## Labour

As the public sector transitions to digital engagement models, exposure to labour costs will reduce. Additionally, aggregation of requirements should be considered to optimise the use of skilled labour.

- Upwards pressure on labour rates will increase as suppliers continue to comply with rises in National Living Wage
- Labour as a proportion of the overall cost will reduce as transactional related calls become automated
- Increasingly complex skill set requirements of staff handling complex calls and servicing multiple technologies will, however, drive up labour rates

## Automation

- AI and robotics is changing the cost dynamics. Suppliers are seeking to protect their profitability as call volumes reduce, through leveraging technological opportunities and bundling them in their total service proposition

## Office space and equipment

- Many suppliers prefer to rent their office equipment so they can constantly upgrade and keep pace with technological advances. This also reduces the high depreciation costs associated with high-tech equipment
- Premises are typically leased providing suppliers with more flexibility within their property portfolio
- Suppliers are looking at opportunities to in-source to reduce their exposure to property and mobilisation costs



# Digital by default

There has been a seismic shift in the preference of communication channels across the demographics. Whilst older generations do still prefer telephony, digital has become the dominant contact preference for Generation Y and other generations are following a similar trend:

	Internet / web chat	Social media	eMessaging (e.g email & SMS)	Smartphone application	Phone
<b>Generation Y</b> (Born 1981-1999)	<b>Joint 1st choice</b>		<b>3rd choice</b>	<b>4th choice</b>	<b>5th choice</b>
<b>Generation X</b> (Born 1961-1980)	<b>3rd choice</b>	<b>4th choice</b>	<b>2nd choice</b>	<b>5th choice</b>	<b>1st choice</b>
<b>Baby boomers</b> (Born 1945-1960)	<b>3rd choice</b>	<b>5th choice</b>	<b>2nd choice</b>	<b>4th choice</b>	<b>1st choice</b>
<b>Silent generation</b> (Born 1944 or earlier)	<b>3rd choice</b>	<b>4th choice</b>	<b>2nd choice</b>	<b>5th choice</b>	<b>1st choice</b>

Source: Dimension Data



# Assessing your needs

Taking market trends and drivers into account, in a constantly evolving landscape, means it's not always easy to define the particular needs of your organisation.

Just because there is so much digital and technological innovation taking place right now, doesn't automatically mean you need to (or indeed should) adopt it all.

It's important to ensure you make **appropriate** use of the latest technology, keep things simple and consider what channels and levels of automation are the right mix for your organisation.

## We're here to help

The CCS Contact Centre Services framework can help you access expert suppliers who provide market leading services and tailored consultancy support.

Our procurement experts can help you develop strategies to maximise your contact centre services and facilitate market engagement to provide intelligence and insight to inform your thinking.



# Get in touch

We're here to help you find the right contact centre solution for your organisation. To find out more about how we can help you save time and money on your procurement, visit our website.

[Visit website](#)

**Web** [ccsherehelp.uk/contact-centres](https://ccsherehelp.uk/contact-centres)

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