



Disruptive Customer Engagement



Contact centers in the cloud: the new normal

As we head toward the year 2020, there can be no doubt that deploying contact center solutions in the cloud is "the new normal." What began with a few solution providers building breakthrough software at the beginning of the decade has become the de facto standard. Virtually every company looking to refresh hardware-based legacy call centers more than 10 years old considers a cloud contact center solution for their next move.

The shift to the cloud that is happening in the contact center software market is very similar to what has already happened in the customer relationship management (CRM) space. Market research house <u>Software Advice</u> reported three years ago that of prospective CRM buyers they spoke to in 2008 who had a specific deployment preference, 88 percent preferred on-premises deployment, while the remaining 12 percent preferred cloud deployment. By 2014, the statistics had flipped entirely. Among those with a choice, the vast majority of buyers (87 percent) requested cloud deployment, with just 13 percent of buyers asking to evaluate on-premises systems.

At the beginning of 2018, the contact center market is somewhere between these two extremes. It is estimated by global analyst firm MZA, Ltd. that less than 15 percent of contact center seats are currently deployed in the cloud. With each passing year, just as in the CRM market, that proportion will rise as companies increasingly choose cloud over premises-based solutions for their upgrades and expansions.

And why are companies choosing to move their contact center solutions to the cloud? For many of the same reasons that cloud makes sense for other enterprise applications, cloud contact centers are increasingly the choice of small, medium, and large companies.

- Customer expectations have changed. Companies now need to compete in a consumer-driven, digital world.
- Information technology managemeant is easier in the cloud—it's faster to deploy, and maintenance and upgrades are handled by the cloud application provider.
- Contact center management needs visibility and insight to increase efficiency, lower cost, and reduce risk. With a secure
 digital workspace, managers don't have to go into multiple applications to gather analytics—consolidated information can
 quickly be turned into actionable insights.
- The subscription model helps companies save time, money, and resources. There is no substantial initial capital outlay, companies don't need to overprovision to handle peak (sometimes seasonal) needs, and the future will be free of major, forklift upgrades.

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Cloud contact center 2.0 meets digital disruption

While the existing installed base of premises-based call center systems will take years to migrate to the cloud completely, already the reasons for choosing cloud are expanding beyond the factors listed above. One could say that the initial approach with cloud contact center was to improve traditional methods of customer service. What companies are finding, however, is that the cloud is allowing them to take new and disruptive approaches to customer engagement that go beyond mere like-for-like replacement of the customer service models that premises-based contact center solutions supported.

The changes in how companies are choosing to deploy contact center solutions are happening in a context of broader changes in how customers interact with businesses and what they expect when they do. In this century, technology dominates lifestyle. Changes in consumer expectations of customer experience are resulting in changes in companies as they attempt to compete in a consumer-driven, digital world.

The last few years have seen Uber disrupt the taxi and rental car industries, Airbnb takes on the hotels, and alternatives like Netflix become the entertainment provider of choice for an escalating proportion of viewers. Companies are under pressure to find ways to compete with emerging, usually digital, competitors. This competition is redefining the expectations around customer experience and relies heavily on modern, digital tools to deliver better and faster than ever before.





Companies are finding that disruptive customer experiences can often be delivered based on capabilities that cloud contact center and communications solutions enable. To better understand how companies are bringing innovation to customer care—and at the same time creating disruptive innovation in the industries where they compete—we interviewed contact center and IT staff from four different companies currently using RingCentral contact center solutions.

- Carvana offers a car buying experience for today's world: entirely online, done from the comfort of your home, on your own time, with delivery right to your door. We interviewed Tim Beuden, the IT infrastructure manager.
- **MyOutDesk** helps real estate professionals focus on selling, with the help of virtual assistants that handle administrative tasks like managing listings, short-sale processing, filling out forms, and calling prospects. We interviewed Daniel Ramsey, CEO; Jayson Lindsley, IT Director; and Julie Galido, Senior Operations Manager, IT & Special Projects.
- Market Force Information (Market Force) provides location-level customer experience management solutions to protect a company's brand reputation, delight customers, and increase profits. We spoke with Ryan Steward, Vice President of Canadian Operations at Market Force Information.
- AseraCare Hospice is one of the nation's premier providers of hospice services. AseraCare Hospice's mission is to strive to provide patients and their families the best possible quality of care and quality of life. Matt Dillman, IT Support Manager with AseraCare Hospice in Fort Smith, AR, was interviewed.

After analyzing the approaches each company was using to meet the escalating demands of its customers for exceptional customer care, three key themes emerged in terms of how they are re-inventing the use of contact center and collaboration solutions.

- · Using the cloud to eliminate the limitations of geography to provide excellent customer experiences.
- Deploying modern collaboration tools to build closer relationships with customers and make agent teams more efficient.
- · Providing tools and capabilities for enterprise-wide customer engagement.

In the sections that follow, we will explore each of these themes—through the descriptions of executives who are using customer service to disrupt the healthcare, retail, analytics, and business process outsourcing industries.

Disruption by eliminating the limitations of geography

The explosion of home-based work opportunities in the past 10 years, primarily driven by access to high-bandwidth internet services, is not necessarily news. But the way that MyOutDesk has combined home-based work with international business process outsourcing using RingCentral cloud communications and collaboration solutions goes far beyond using work-at-home agents.

MyOutDesk is a Sacramento, California—based company that, similar to an Uber or Airbnb, has created a new type of business using collaboration technology. MyOutDesk supplies US real estate professionals and companies with virtual assistants. Unlike virtual assistants based on artificial intelligence (AI), like Siri or Cortana, "virtual" here refers to the fact that the assistants work remotely from the real estate businesses they support. Very remotely.

The Philippines is well-known as a country that employs contact center agents that support the sales and service needs of global companies, often through business process outsourcing firms. Typically, agents must travel to contact centers, a task made arduous by the fact that the Philippines is a country of islands – 7,641 to be exact.

MyOutDesk's Julie Galido explains:

"In a regular call center, agents must go out at night and travel. With the traffic here in the Philippines, on average one would need between two to four hours of travel time each day."

The MyOutDesk business model allows Philippines-based professionals to work from home as virtual assistants instead of facing a multi-hour commute. Using Philippines-based managers, MyOutDesk finds and vets people that are "really talented" in the Philippines who want to work from home.

Working for a typical Philippines contact center, employees must work close enough to a center to make even a long commute a viable option. RingCentral solutions allow MyOutDesk to choose future virtual assistants from even the most far-flung of the Philippine islands.





Once selected, employees are sent through a training program and the virtual assistants are paired with clients in the US.

MyOutDesk has deployed RingCentral Contact Center in the center they use to field customer support questions from the real estate professionals in the US. Clients may call if they are having billing issues or trouble reaching their virtual assistants. MyOutDesk salespeople also use the RingCentral Contact Center, integrated with Salesforce®, to call and follow up on leads. MyOutDesk also uses RingCentral Contact Center easily accessible and searchable recordings of both sales and support calls.

To summarize, MyOutDesk uses RingCentral Contact Center to eliminate barriers both by using virtual assistants in the Philippines to support US-based real estate businesses and by allowing its Philippines-based staff to work from home instead of spending hours each day commuting to a call center. RingCentral Contact Center also enables MyOutDesk to market its services to smaller real estate offices, even individual agents, by providing access to shared virtual assistants that have the same level of expertise and access to resources as dedicated virtual professionals do for larger clients.



In a world with a growing number of elderly citizens with unique healthcare needs, AseraCare is using state-of-the-art technology to provide improved quality of life. The company operates home care agencies in 50 cities across 19 US states and is another excellent example of a business that was able to radically change how it worked with customers based on the deployment of a cloud communications and collaboration system.

Until AseraCare's move to the cloud, the company depended on a premises-based system at their headquarters in Texas. Each of the 50 or so geographically-dispersed field agencies had phone systems that were set up locally. By implementing RingCentral, AseraCare was able to centralize on a single communications and collaboration system for both headquarters and the local offices.

Matt Dillman, IT Support Manager with AseraCare, admitted that initially there was some concern about a single system:

"In terms of pros and cons, the pros were that now we had a lot of control and a lot of ability in managing the phone system across our agencies. It connected each of our agencies with headquarters in a way that was not previously possible. There are a lot of advantages to having a system that IT can manage instead of relying on untrained people locally at the agency and hoping they get it right."

RingCentral gives AseraCare the ability to use communications to better connect with their clients.

"Our competitors in the medical industry, and especially in hospice care, are not forward-thinking when it comes to IT. I suspect a lot of our competitors are using analog lines or maybe some local system. We have our entire company integrated together. Employees that have worked for other hospice companies tell us how forward-thinking we are with our IT and how we're miles ahead of anybody else they've worked for."—Matt Dillman - Asera Care

Disruption by leveraging collaboration tools to enhance customer care

In addition to using RingCentral Contact Center for sales and support needs, MyOutDesk uses RingCentral Meetings™ in its everyday operations. Video meetings are often arranged during the MyOutDesk sales cycle to allow clients to see "how passionate our virtual assistants are," says Galido.

Before

Take a file back to the agency

Make a copy

Go back to the patient and return paper documents

After

HIPAA-compliant, secure messaging system

Take a picture of a document, create PDF file

Upload into electronic medical record system

After

HIPAA-compliant, secure messaging system

Take a picture of a document, create PDF file

Upload into electronic medical record system

The graphic illustrates one of the many procedures that become simpler for both AseraCare and its patients, with the help of an integrated communications system.

With part of the MyOutDesk team located in the US and another in Manila, RingCentral Glip® offers persistence of communications topics, or channels—similar to texting but securely provided within the RingCentral enterprise communications and collaboration environment. Ramsey explains:





"There's a large volume of messages on Glip. We have tons of channels: for our developers, for the contact centers, an interoffice channel for US announcements, an IT team channel. There's also a sales channel that is constantly going off whenever somebody makes a sale a client, and everyone goes... Congrats! It really helps us keep in communication; it makes sure that we're all connected in a way that we couldn't be before."

Some of the Glip communications are very specific to the running of the contact centers, while others revolve around other business functions. But because running a global operation like MyOutDesk depends on all aspects of the business being responsive to the needs of its customers that are geographically distant from their assistants, Glip is an integral part of delivering on the MyOutDesk value proposition. "We re-architected our business under RingCentral, rather than the disassociated, random array of products that we had before," says Ramsey. Glip helps MyOutDesk reinforce the imperative that every single person within the business is responsible for delivering a consistent and cohesive customer experience.

Market Force is another RingCentral customer that has deployed the Glip collaboration tool. Ryan Steward describes how Market Force uses the solution in its customer care operation.

"Glip is fantastic for interoffice communication. I run a contact center network that has contact centers in three different countries. We use Glip as one of the main interfaces for hourly updates on service levels and changes that are happening in each of the different offices. I can sit at my desk and I can flip to any one of the different communication threads and see what's happening in each office. It's much more effective; it's much more real-time, it's a lot better than traditional email. Glip has become a very key part of our communication in the contact center."

Disruption by enterprise-wide customer engagement

Many companies have local sales offices or branches where they build close customer relationships and have a centralized contact center that engages customers as well. With cloud applications, companies can now synchronize these two organizations to smoothly hand customer back and forth as well as have the reporting information to ensure a consistent customer experience across both. The story of RingCentral customer Carvana brings these concepts to life.

First, you search for a car online. Listings include videos of the vehicles, inside and out. Once you have chosen a vehicle, you step through financing options, the option of trading-in a vehicle, and insurance details. If you are within a growing number of local markets, you are eligible for free delivery.

If you don't live near a Carvana location, there's a fly and buy option. You fly to a car vending machine location where Carvana arranges white-glove transportation to pick you up at the airport and take you its state-of-the-art car vending machine (shown in the photo). Tim Beuden, Carvana's IT Infrastructure Manager, says the company has been called the "Amazon of car buying."

For Carvana, customer care often blurs the line between full-time contact center agents and other job titles. Using RingCentral contact center solutions, as well as the UCaaS RingCentral Office application, Carvana enhances its digitally transformed buying experience with equally unique customer care.

- Contact Center is used by approximately 200 people. The use cases
 are typical of customer support: If a car is being delivered, a customer
 may call to find out if there is a delay. Or a customer might call to find
 out if the vehicle title and registration process is complete.
- RingCentral Live Reports is used to measure and monitor the
 communications activity of employees who work at delivery hubs or
 car vending machines locations. At these locations, customers bring
 a trade-in or take delivery of a vehicle. At each hub, there are 16 to 25
 employees. Live Reports helps Carvana measure who is delivering the
 most cars, who is responding to customers, who is on the phone a lot,
 or who is working with customers the most.







RingCentral Office was deployed to Carvana locations nationwide to help create a single Carvana brand and experience for customers.
 One example is when drivers are delivering vehicles, they need to look like they are coming from one central business. Having
 RingCentral Phones™ on their mobile phones allows their caller ID to display "Carvana," not an unknown driver name.

Carvana was initially designed as a companion business to a traditional used car business. The intent was to appeal to Millennials, "because they are always on a mobile phone, always on an iPad," says Beuden. But what the company has found is that it has buyers of all ages, with the most typical age group being 40–50 years old. In business just three years, the company is already starting to get repeat customers. Another proof point that web and mobile app-driven e-commerce are replacing retail for all demographic groups.

Carvana's creation of a digitally transformed business is aided not only by cloud unified communications and contact center solutions, but the Live Reports analytics that allows them to help drive efficiencies into the business for certain employees. It's a great example of how increasingly enterprise communications user requirements are on a continuum, from simple to complex, not just enterprise communications users versus contact center agents.

Why move to the cloud? Lots of great reasons.

As we finished each RingCentral customer interview, we asked each interviewee what advice they would offer to companies that are considering moving their enterprise communications from premises-based systems to the cloud. Once again, a few key themes emerged.

Ryan Steward, Vice President of Canadian Operations, Market Force, says that they think the cloud is an economical choice.

"In today's world, the cloud solutions are more economical for our business. We like the fact that we're outsourcing this and therefore we don't have to maintain all of the internal technologists to be able to resolve issues."

Being exposed by a single-point-of-failure is a concern at MyOutDesk.

"If anybody is still doing a PBX on-premises, I have no idea why. They are just inviting disaster— something happens, and the whole phone system is gone," **–Lindsley**.

AseraCare describes moving the contact center to the cloud as a "no-brainer."

"I would look at it as having just the same amount of control and flexibility that you have now. Your server costs alone can get into the 5 to 6 digits per year. You may even be able to reduce your payroll by a couple of engineers. Being able to wipe out some of that server cost, I mean for monetary reasons, it's a no-brainer," -Dillman.

As they answered the question, they concentrated on the practical and immediate business outcomes they believe their companies have achieved by moving to the cloud. But each respondent also spoke about how moving to the cloud allows his or her company to proceed down a path of digital transformation. They understand that they have also built a framework to incorporate emerging technologies—think artificial intelligence and the Internet of Things into the experience they offer to their customers in the not too distant future.

Digital transformation is a term being applied to the changes that companies are working to achieve to meet the evolving needs of today's increasingly mobile customers. Sometimes this takes the form of redefining a traditional business with a digital focus, as Carvana has done with the used car buying process. Other times it means creating a new approach to solving an existing need, as MyOutDesk has done with its innovative creation of remote real estate virtual assistants, or AseraCare has done by utilizing technology to create better patient experiences for traditional hospice care agencies. In all the cases we have discussed here, the result is customer engagement that disrupts the status quo to better achieve desired business outcomes.

Often companies think about moving applications to the cloud as the inevitable next step in technology evolution. While this is certainly true, moving enterprise communications and customer engagement to the cloud is also an opportunity to re-invent not just communications and customer care but the very core of a company's business model. Think of your move to the cloud as both an opportunity to modernize and a platform for business innovation.





About RingCentral

RingCentral, Inc. (NYSE:RNG) is a leading provider of global enterprise cloud communications and collaboration solutions. More flexible and cost-effective than legacy on-premises systems, RingCentral empowers today's mobile and distributed workforce to communicate, collaborate, and connect from anywhere, on any device. RingCentral unifies voice, video team messaging and collaboration, conferencing, online meetings, and integrated contact center solutions. RingCentral's open platform integrates with leading business apps and enables customers to easily customize business workflows. RingCentral is headquartered in Belmont, California, and has offices around the world.

About McGee-Smith Analytics

Sheila McGee-Smith is the founder and principal analyst at McGee-Smith Analytics, a communications industry analyst and strategic consulting firm. Her insight helps enterprises and solution providers develop strategies to meet the escalating demands of today's consumer and business customers.

Her views on the contact center and customer experience markets can be found on Twitter @mcgeesmith and in frequent postings on No Jitter, an online communications news outlet. Ms. McGee-Smith serves as the Contact Center Track Chair for the annual Enterprise Connect conference held in Orlando each year.



