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An Optimized Customer Contact Strategy Combines Transparency And Intelligence

The State Of Outbound Communications In 2022

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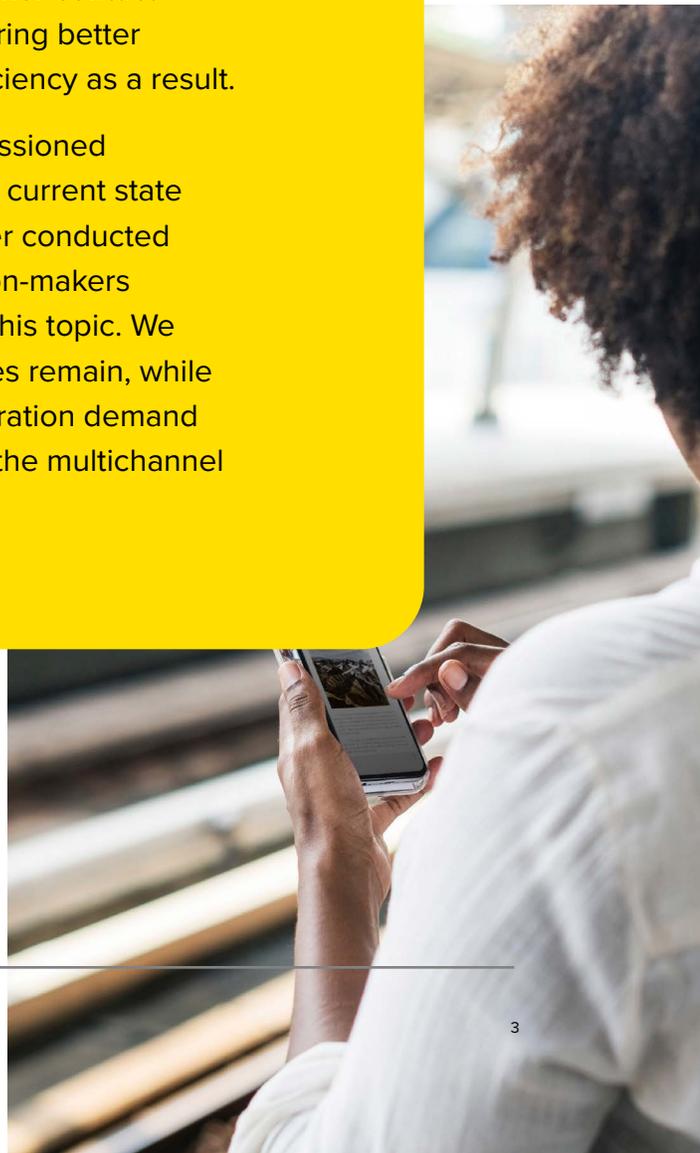


Executive Summary

Outbound communications are a vital connection point between organizations and customers, enabling organizations to share critical and time-sensitive information with their customers. Outbound communication channels are essential to meeting customer service goals and business objectives. But a myriad of challenges exists in connecting to customers — customer mistrust of an “unknown caller,” incorrectly blocked or spam-labeled calls, the threat of fraud, inaccurate contact data, and misaligned channel strategies. Most organizations don’t attain their desired right-party contact rates, which leads to plummeting customer satisfaction scores, lost revenue, increasing business inefficiency, and escalating costs.

To solve these challenges, organizations need solutions that increase the transparency of outbound communications to build customer trust, and contact intelligence capabilities to create more customer-centric outbound contact strategies. Customer contact solutions do just this — and early adopters are delivering better customer experiences and improved operational efficiency as a result.

In July 2022, Neustar, a TransUnion company, commissioned Forrester Consulting to update the 2019 study on the current state of outbound contact channels and solutions. Forrester conducted an online survey with 455 US business and IT decision-makers responsible for outbound call experience to explore this topic. We found that many of the same voice channel challenges remain, while new challenges related to outbound channel orchestration demand increased customer intelligence capabilities to meet the multichannel expectations of today’s customers.



Key Findings

Multichannel outbound orchestration is critical to success. While email and SMS are the most used outbound communication channels, almost all survey respondents say the phone channel remains the most important. This means that aligning call and digital channel strategy is more crucial than ever and now a top five customer experience goal for respondents.

Multichannel confidence outstrips current capabilities. Most survey respondents are confident in their ability to optimize a cross-channel outbound communication strategy, but only one in three has integrated all channels — digital and voice — together. Coupled with message-centric rather than customer-centric channel strategy, respondents struggle to connect with customers, with three in four saying their organizations do not have “good” right-party contact rates.

Customer contact solutions grow customer trust and improve operational efficiency. Customer contact solutions combine features to cultivate customer trust — correct labels for outbound calls, spam tagging protection, and more — with customer intelligence on the best ways to reach customers. About 40% of respondents are using these solutions, with another 30% planning to invest soon. Early adopters are seeing a host of benefits including increased operational efficiency, improved customer experience, and revenue growth.



A Modern Contact Strategy Is A Multichannel Strategy

Across industries, organizations need to share critical time-sensitive information with customers — account notifications, transaction notifications, fraud alerts, appointment reminders, service callbacks, service outages, public service announcements, inquiry responses, research polling, and more (see Figure 1). To do this in a customer-friendly, efficient way, they utilize multiple channels, all of which are important to meeting customer service goals (see Figure 2).

- **Voice is considered the most important channel for high-value, time-sensitive communications.** When companies need to reach customers in the moment and directly, they utilize the outbound call channel. Critical touchpoints like responses to customer requests for support, appointment reminders, and collections are primarily handled over outbound voice. While it does not approach the volume of digital channels like email and SMS, a staggering 87% of survey respondents agree with the statement that “the phone channel is the most important outbound contact channel.”
- **Email and SMS serve as high-volume information conduits.** Email and SMS are the most used outbound channels today, handling roughly triple and double the volume of voice calls, respectively. They primarily notify customers of account changes, service outages, fraud, and other events. There is a good amount of overlap in the types of communications that email and SMS handle, and without proper strategy and orchestration, these important messages could be missed, ignored, or worse, seen as an intrusion.

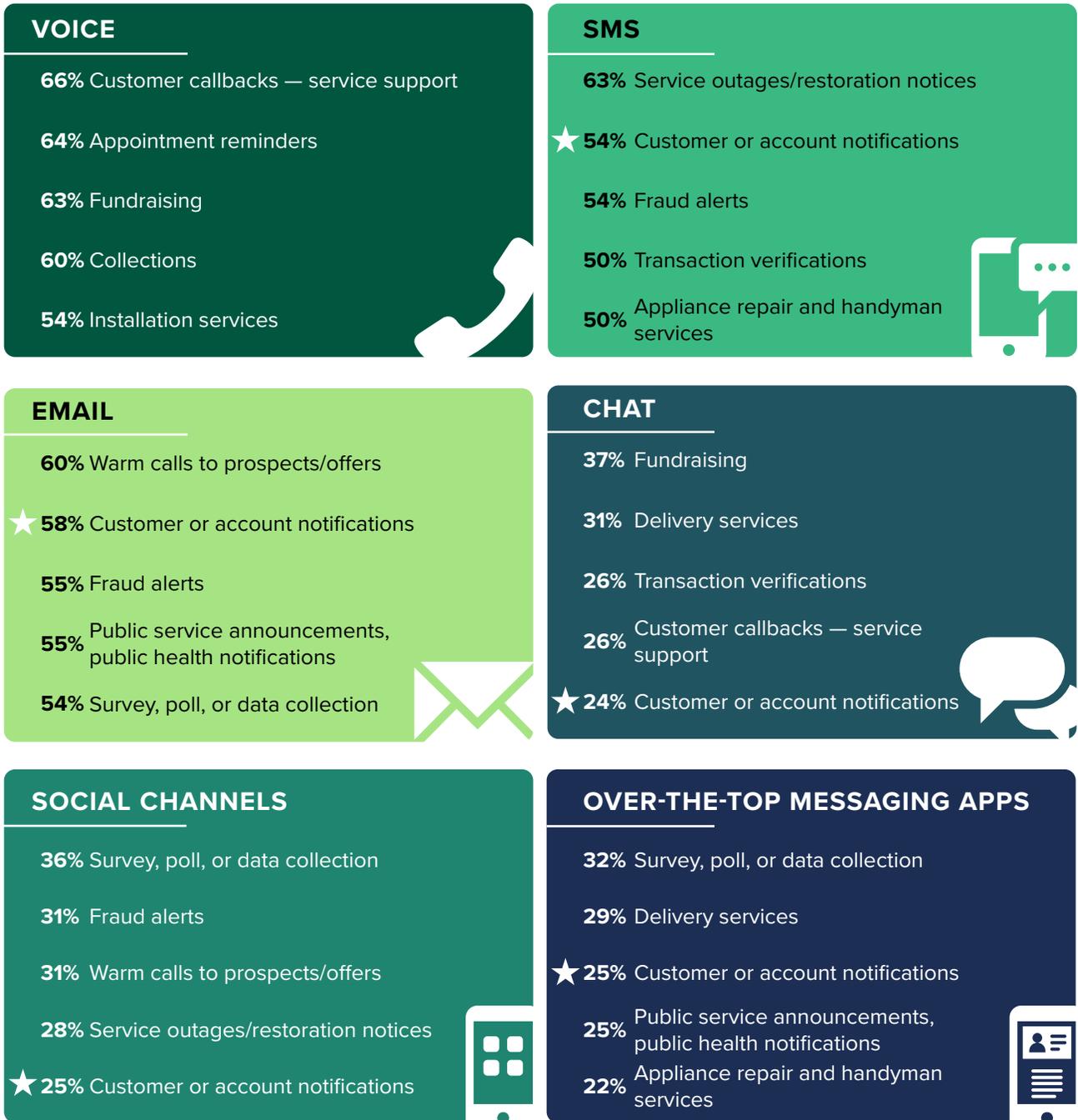
While email and SMS are the most used outbound channels today, **a staggering 87%** of survey respondents agree with the statement “the phone channel is the most important outbound contact channel.”



Figure 1

Digital And Voice Have Different Outbound Use Cases: Channels Used For Different Types Of Outbound Communications

(Showing top five)

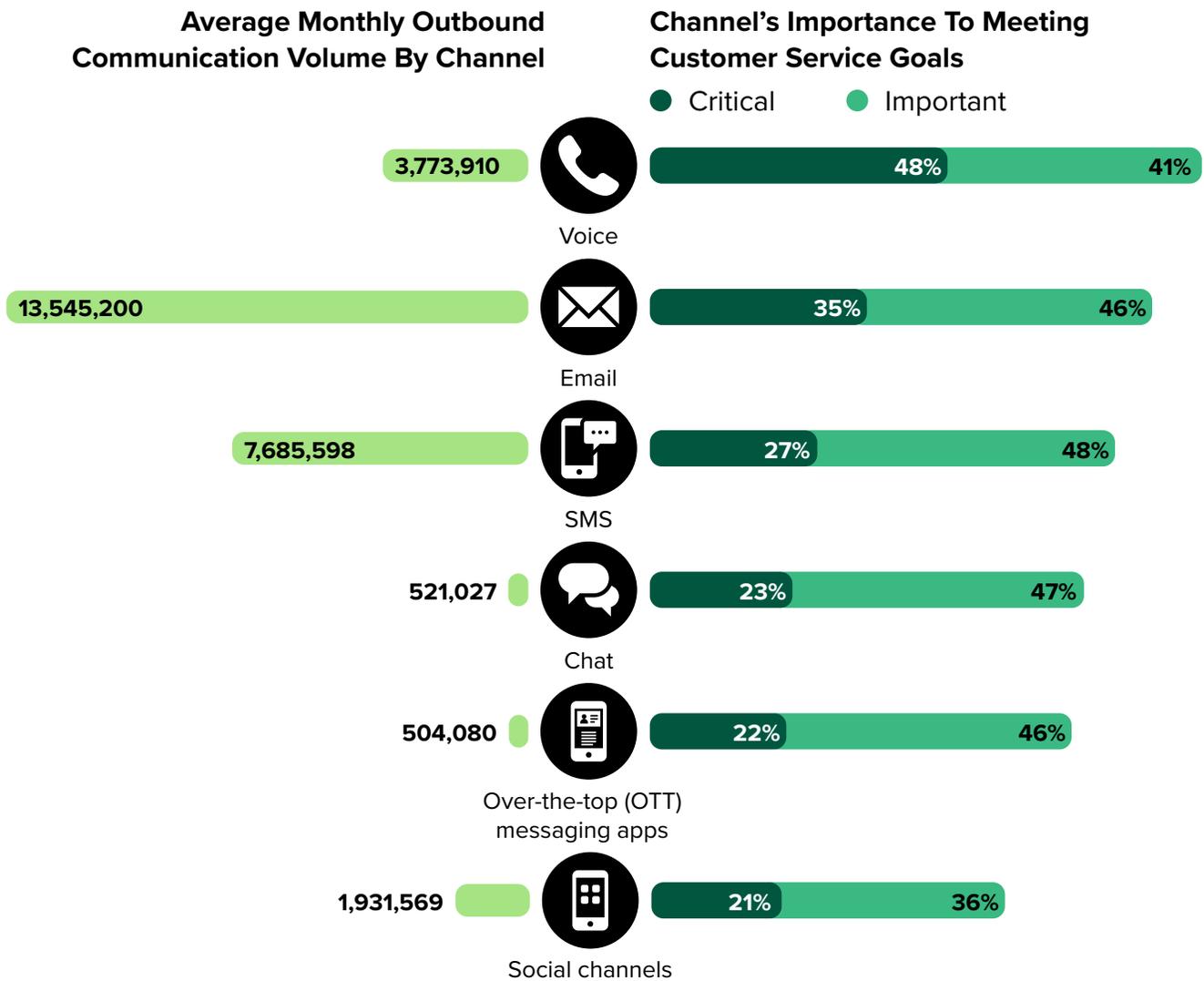


Base: Variable business and technology decision-makers responsible for call experiences at US organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

- **Emerging digital channels expand customers' options for outbound communications.** While handling dramatically less volume, compared with email and SMS, digital channels like chat, over-the-top (OTT) messaging, and social media increase the ways that organizations can reach customers. They also serve many of the same types of communication as email and SMS, so while they expand customer choice, they also can contribute to challenges around conflicting or duplicate messaging if not orchestrated carefully.

Figure 2

Voice Remains Key To Meeting Customer Service Goals



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

With all of these outbound channels playing key roles in the customer experience, aligning call and digital strategies has grown in importance in the past three years. Better orchestration is now a top five customer experience goal for survey respondents, up from a ranking of nine in our 2019 study (see Figure 3). Most organizations feel confident in their ability to orchestrate an

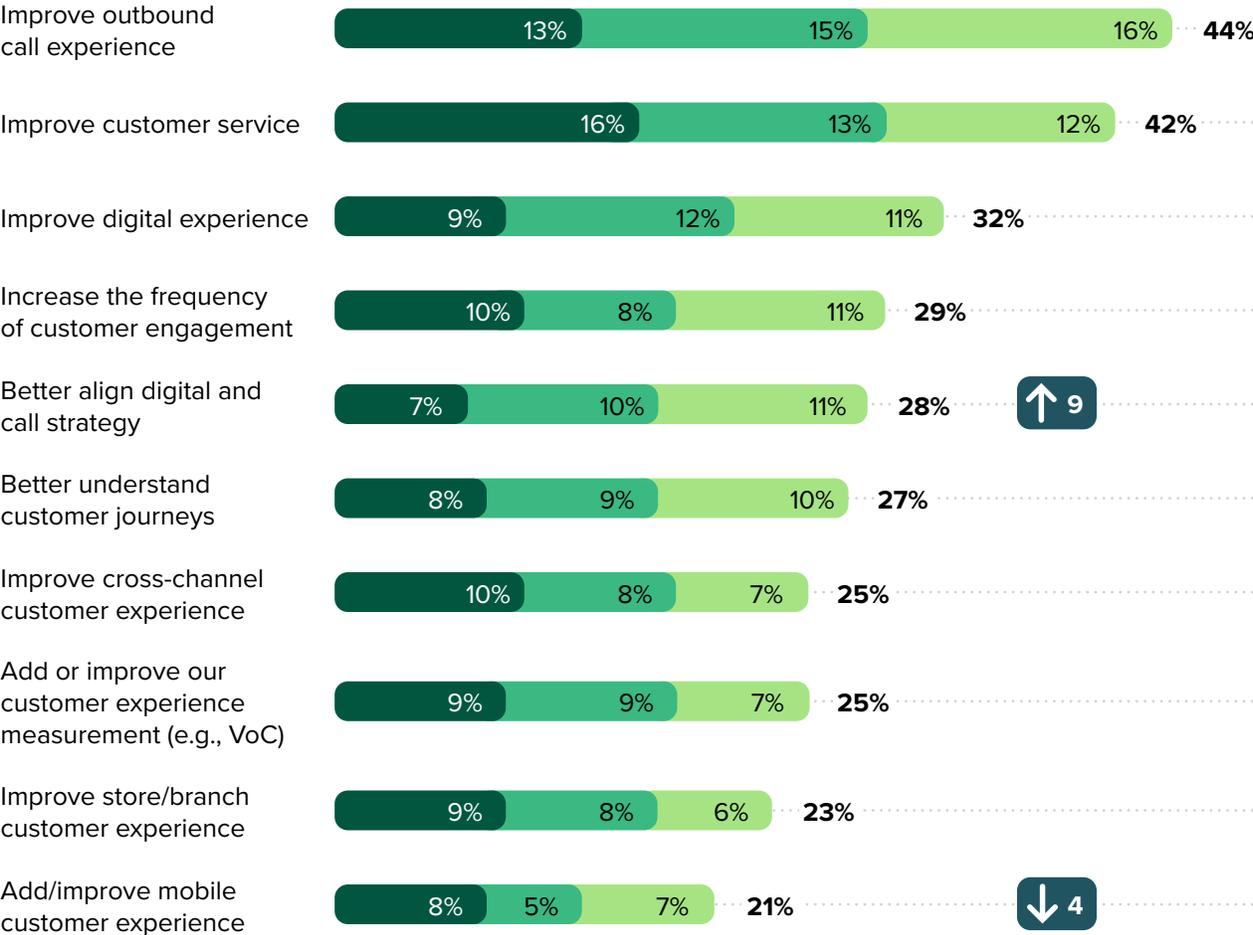


Better multichannel orchestration is now a top five customer experience goal.

Figure 3

Top Customer Experience Goals For The Next 12 Months

● Rank 1 ● Rank 2 ● Rank 3 ● Rank in 2019



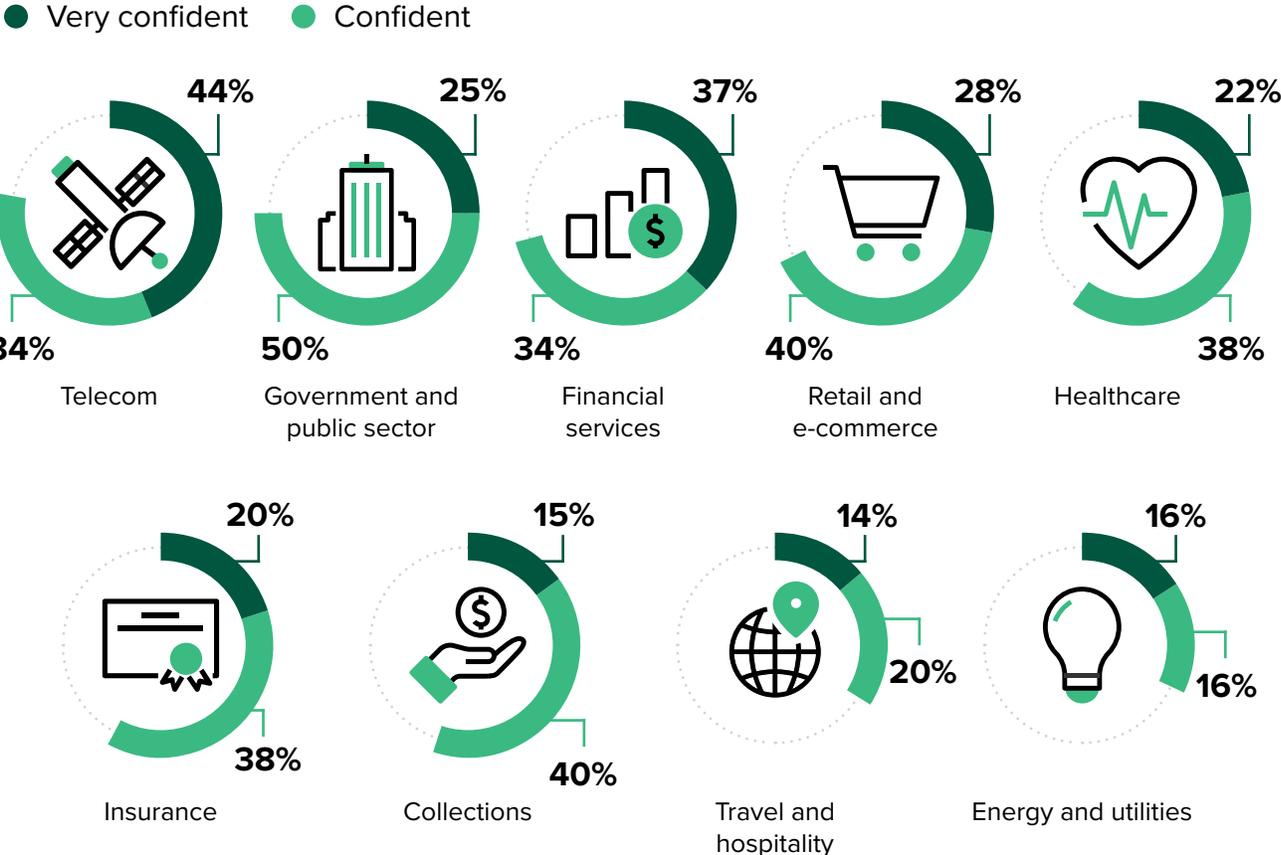
Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations
 Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

optimal cross-channel outbound communication strategy, with sectors like telecommunications, public sector and government, and financial services leading the charge (see Figure 4). However, a closer look at these organizations brings some of these claims into question and reveals opportunities for improvement to drive business value and customer experience.

Figure 4

“How confident are you in your ability to orchestrate a cross-channel outbound communication strategy that reaches customers on their preferred channel at the most optimal time to maximize right-party contact rate?”

(4 or 5 on a scale of 1 [not confident] to 5 [very confident] by industry)



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

Right-Party Contact Rates Highlight Room For Improvement In Outbound

The outbound contact experience is an important component to meet not only top customer experience goals but also top business goals (see Figure 5). However, most respondents we surveyed say that their organization does not have a “good” right-party contact rate (see Figure 6). Almost three in four say they are below it, while just 1% say they exceed it.

Three in four respondents say their organization do not have “good” right-party contact rates.



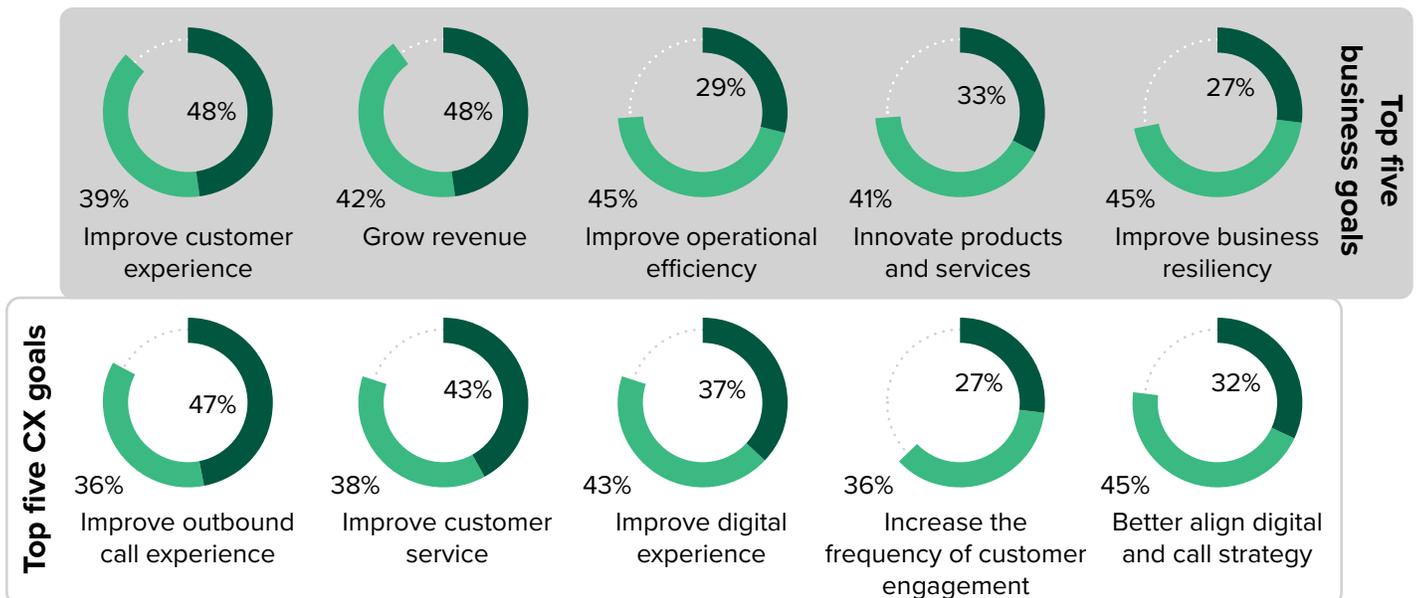
When organizations are unable to reach their customers with critical information in a moment of need, this leads to customer frustration and even lost customers. In addition, poor right-party contact rates lead to poor agent productivity, increased operational costs, and ultimately lost revenue.

Figure 5

“How important is your company’s outbound contact (voice/digital) experience to achieving each of its top goals?”

(4 or 5 on a scale of 1 [not confident] to 5 [very confident] by industry)

● Critical
● Important



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

Figure 6

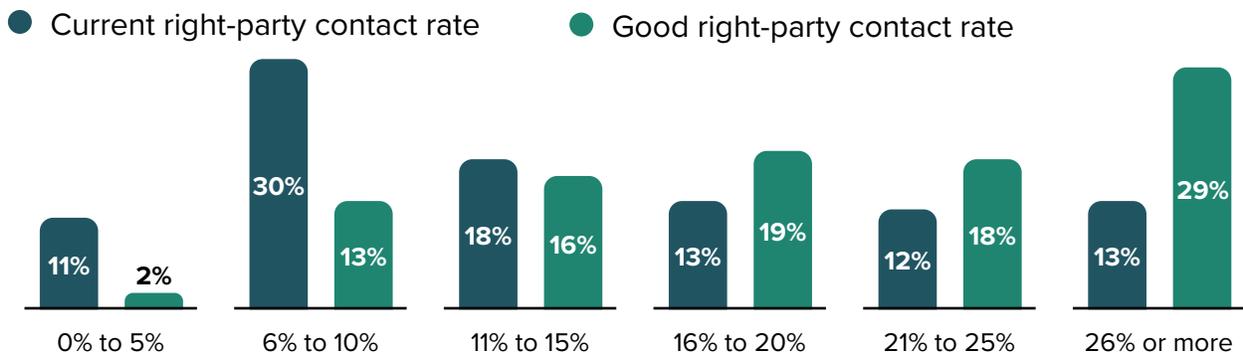
Right-Party Contact Rates Fail To Meet Expectations



Three in four respondents said their organization had below what they considered to be a “good” right-party contact rate.

- 74%** ● **Below** a good right-party contact rate
- 25%** ● **At** a good right-party contact rate
- 1%** ● **Exceed** a good right-party contact rate

Two-thirds of respondents said more than 15% is a good right-party contact rate. **Just 37% can achieve it.**



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

MULTICHANNEL OPTIMIZATION SUFFERS FROM SILOS AND MANUAL PROCESSES

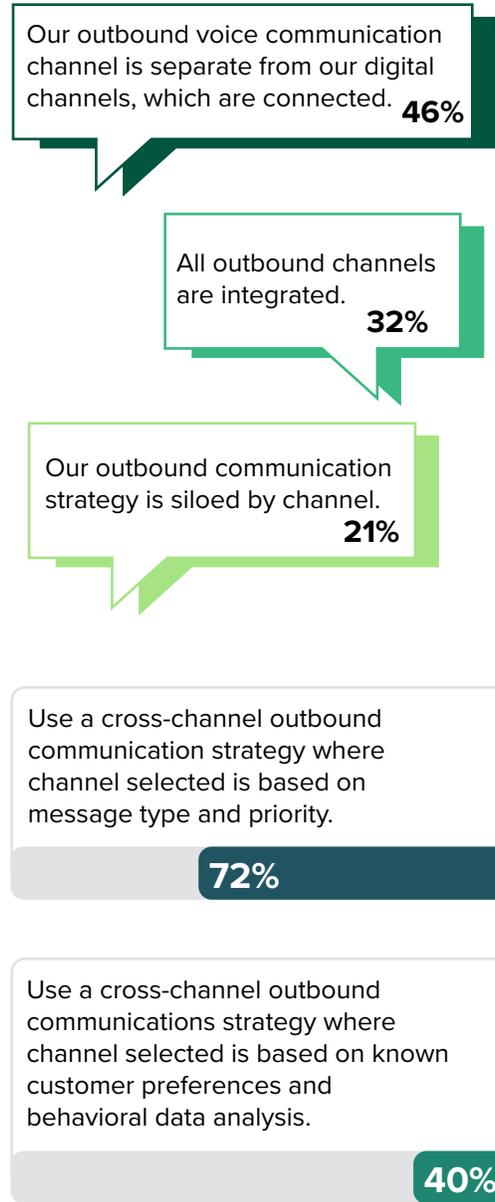
Respondents in our survey express confidence in their ability to optimally orchestrate their outbound channel strategy — but capabilities tell a different story.

- **Most have not integrated their outbound channels.** Only one in three respondents says all their outbound channels — both digital and voice — are integrated (see Figure 7). Close to half say their digital channels are connected, but not to voice. This also varies widely by industry. Some industries like travel and hospitality, healthcare, and energy and utilities are very siloed, while others like telecom and financial services are mostly integrated.

- **Message type, not customer preference, often dictates strategy.** Close to three in four respondents said message type and priority drove their cross-channel outbound communication strategy, while only 40% include customer preferences and behavioral data analysis in channel selection. Customers expect a level of refinement and personalization when organizations communicate and demonstrating an understanding of their preferences can lead to increased customer trust. However, not taking preferences into account can lead to missed information, customer frustration, and penalties for noncompliance.
- **Silos lead to communication disconnects.** Most respondents report challenges with messaging silos — by product (61%) or by channel (56%) (see Figure 8). These silos can lead to other challenges like conflicting messaging (40%) sent over different channels, duplicate messaging (36%), or simply too many messages sent to customers (34%). Integrating all outbound channels is a first step to resolving these issues, but a full solution requires optimization based on customer intelligence.
- **Manual planning hinders optimization.** The challenge respondents highlight as the most important to address is reliance on manual planning for cross-channel orchestration. Respondents in IT especially highlight manual orchestration, with 57% of them stating it is a challenge for their organization (compared with just 43% of business respondents). Manual planning hinders organizations in capitalizing on critical data like customer preferences and behavioral insights.

Figure 7

Outbound Contact Channel Strategy Orchestration



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations
 Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

Figure 8

“What challenges does your company have with its multichannel outbound communications?”

(Multiple responses accepted)



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

Only one in three respondents says their digital and voice outbound channels are integrated, and message type more often dictates channel strategy than customer preferences.



THE “UNKNOWN CALLER” STILL HAUNTS THE VOICE CHANNEL

Despite efforts by the government and telecommunications providers to reduce spam calling through initiatives like robocall analytics and STIR/SHAKEN call authentication, organizations still face challenges in connecting with customers through the voice channel. While spam tagging is down slightly from our 2019 study, more than half of organizations still rank it as a top five challenge for voice. And what hasn't changed is most troubling of all — more than 90% of respondents say customers are still not picking up their call.

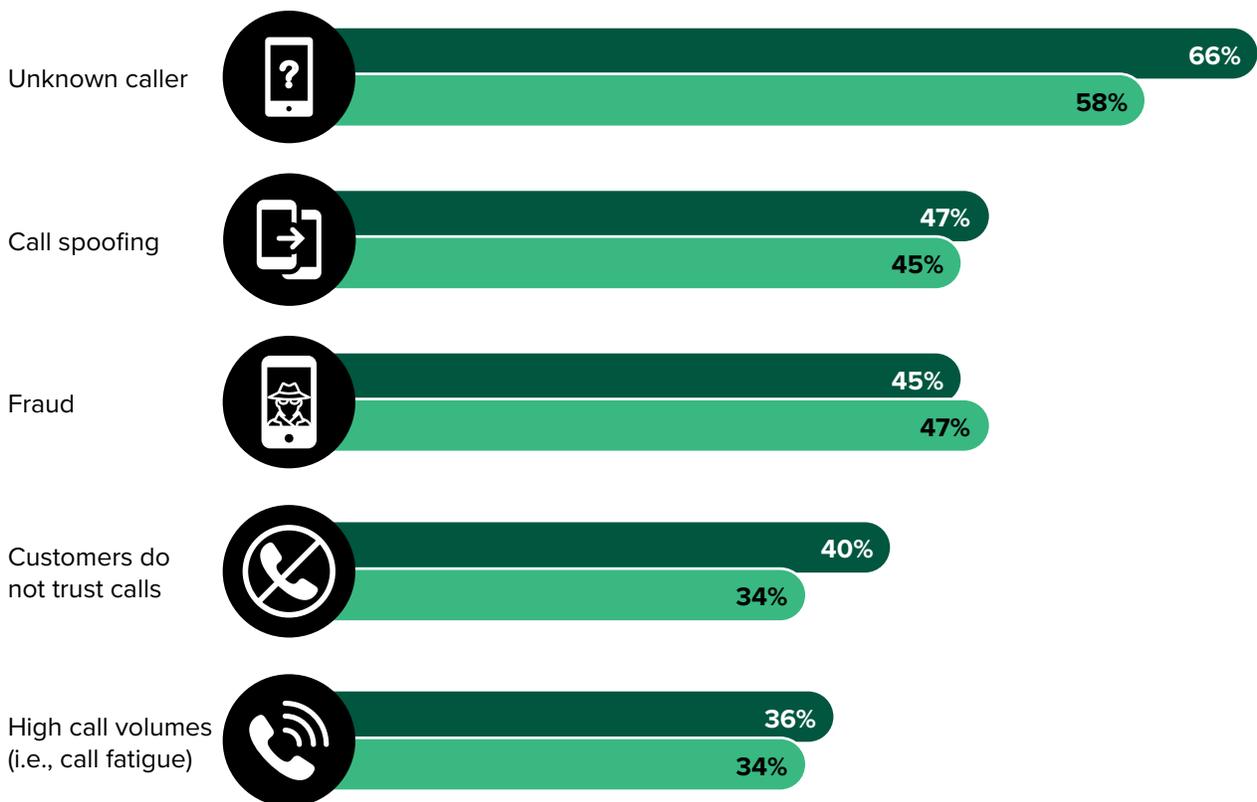
- **The threat of unknown numbers dissuades even established customers.** The specter of fraud, robocalls, and spoofing prevents both prospects and established customers from picking up the phone with they see “unknown caller” on their screen (see Figure 9). Contact center technologies have been unable to solve these problems to date — respondents listed call blocking, spoofing, and spam tagging of company numbers as the most frequent limitations of their technology solution, and only one-third of respondents have this capability today.

Figure 9

“What is your hypothesis as to why your customers are not answering phone calls from your company?”

(Top five responses shown; multiple responses accepted)

- Outbound calls — established accounts/customers
- Outbound calls — new communications to prospects



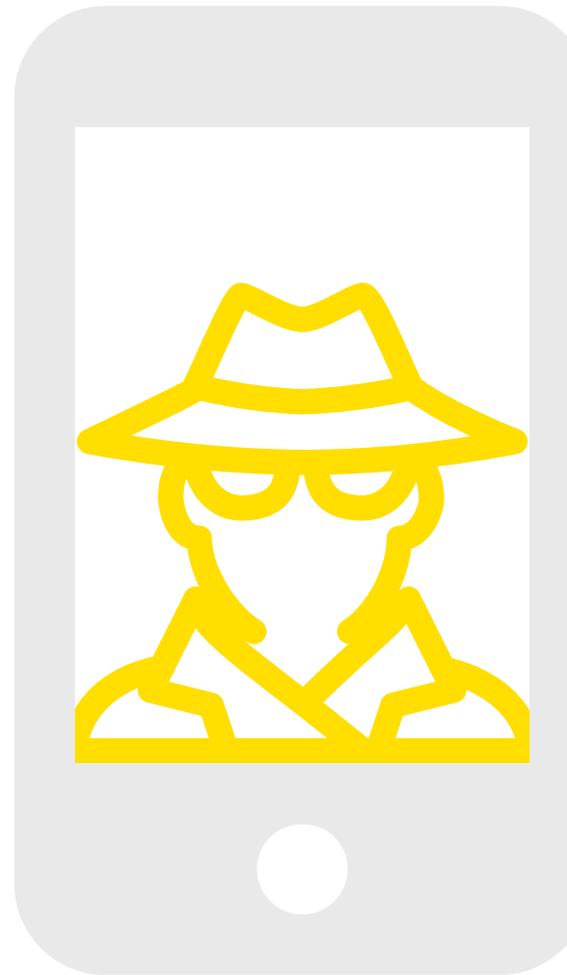
Base: 436 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations who report failure to connect with the correct party, failure to answer, and/or blocked calls as a challenge when contacting consumers over the voice channel

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

- **Inaccurate customer contact information stymies outbound effectiveness.** Almost half of respondents rank old or inaccurate contact data as a top five challenge in contacting customers through the voice channel. And just 34% say their solution provides up-to-date contact information for clients. Agents are losing productivity and costing the company money by dialing bad numbers.
- **Organizations lack intelligence capabilities to optimize the outbound call channel.** Customer intelligence capabilities can greatly increase right-party contact rates and provide an overall better call experience for customers, but many solutions lack these capabilities. Fewer than half of respondents say their technology solutions have intelligence on the best day and time to reach customers, notification of compliance risk, and intelligence on who to prioritize versus not call.

For more than 90%

of respondents, the specter of fraud, robocalls, and call spoofing prevents both prospects and established customers from picking up the phone.



A Customer Contact Solution Is A Key Part Of Your Customer Experience Arsenal

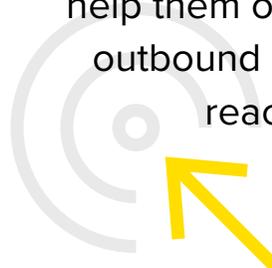
To deliver a better customer experience, increase revenue, improve operational efficiency, and reduce costs, organizations must orchestrate an optimal cross-channel outbound contact strategy and improve their right-party contact rates. Customer contact intelligence is crucial to achieving both. Customer contact solutions for increasing right-party contact rates are becoming more popular and selecting the one with the right capabilities will be paramount to meeting your CX and business goals.

- **Adoption of customer contact solutions grows.** In 2019, just 30% of organizations surveyed had adopted what we termed a “trusted call solution” — an outbound calling solution with capabilities and intelligence for increasing right-party contact rates. With the emphasis on incorporating digital into the outbound strategy, in 2022, we surveyed respondents on their adoption of “customer contact solutions” that provide the same capabilities and intelligence across the entire outbound contact ecosystem. Forty percent of respondents have adopted or are piloting a customer contact solution, indicating more organizations are turning to technology to help them optimize their outbound strategy and reach key goals (see Figure 10). In addition, 30% are planning to implement a solution in the next 12 months, indicating continuing momentum for contact solutions.

- **Capabilities that earn customer trust are critical.** Increasing customer trust will in turn increase right-party contact rates. There are several key capabilities of customer contact solutions to help do this. Making sure that the company name displays on all outbound calls and that reliable and accurate caller name information is displayed on all inbound and outbound calls is seen as important to nearly two-thirds of respondents, but fewer than half have the capability to do so (see Figure 11). They also say capabilities like displaying the company logo on outbound calls are

40%

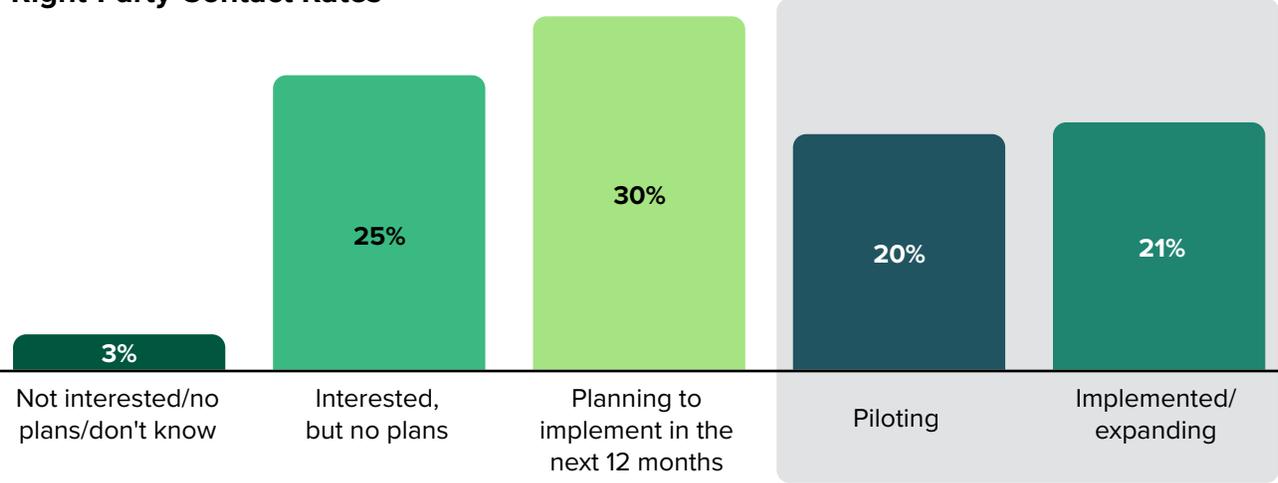
of respondents are turning to customer contact solutions to help them optimize their outbound strategy and reach key goals.



important. In addition, call blocking, spoofing, and spam-tagging protection for the company help customers feel safe that the organization calling is not a malicious actor.

Figure 10

Adoption Of Customer Contact Solutions With Capabilities To Increase Right-Party Contact Rates*



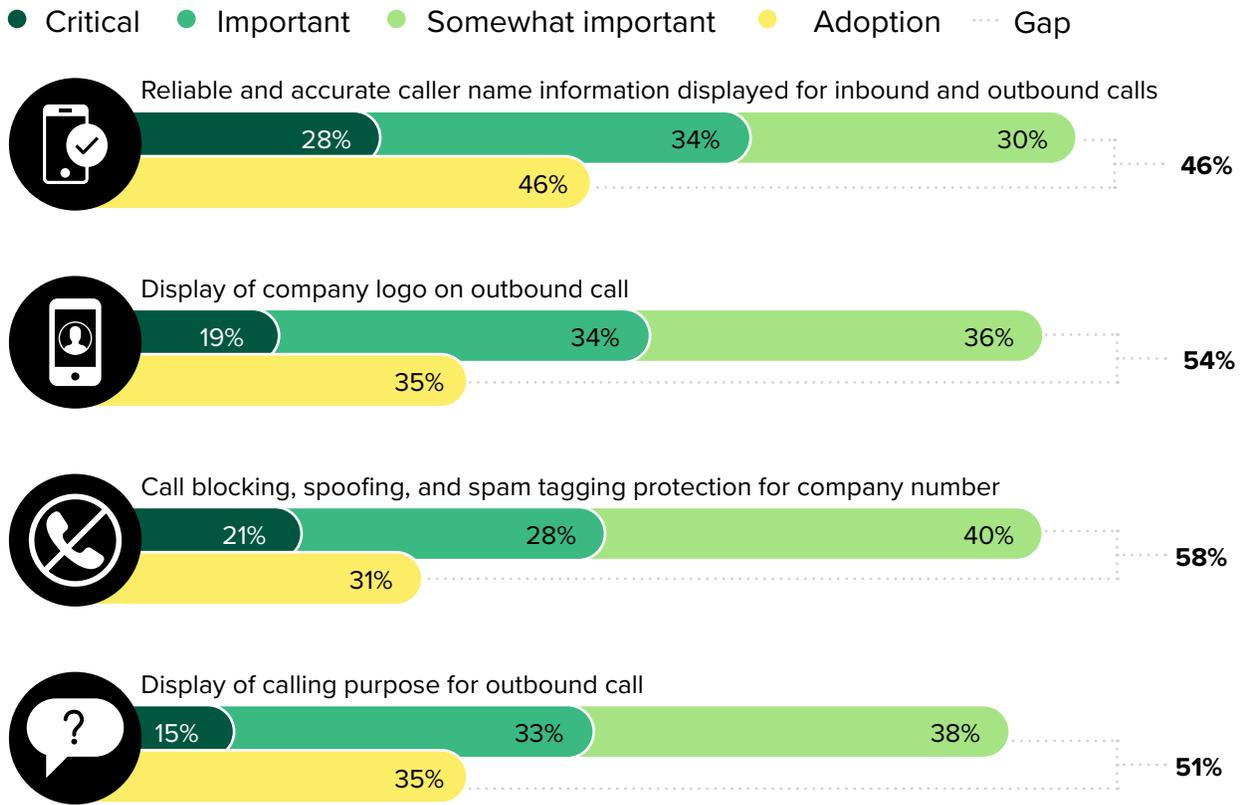
Piloting Or Implemented/Expanding By Industry



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations
 *Note: Percentages do not total 100 because of rounding.
 Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

Figure 11

“How important are the following outbound call capabilities to increase your company’s right-party contact rates?”



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

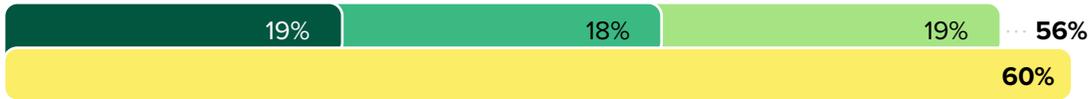
- **Customer intelligence can boost right-party contact rates.** Whether it is understanding the preferred channel to reach a customer with an important service notice or knowing the best day and time to contact your customer, customer intelligence capabilities are an important part of the outbound contact strategy. While most respondents say intelligence on the best time to reach customers is important, only 37% say they have this capability (see Figure 12). Similarly, notifications of compliance risk can save an organization money and customer goodwill, but only three in 10 have this capability. Taking advantage of customer intelligence capabilities from the right customer contact solution can help optimize cross-channel contact strategies, mitigate compliance risk, and make agents more efficient, while demonstrating customer understanding.

Figure 12

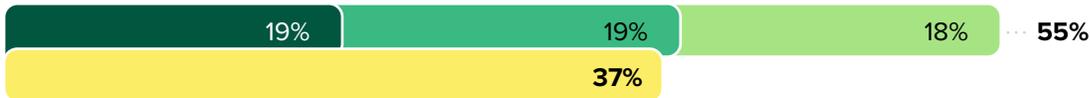
Most Important Customer Intelligence Capabilities Needed To Increase Right-Party Contact Rates

● Rank 1 ● Rank 2 ● Rank 3 ● Adoption

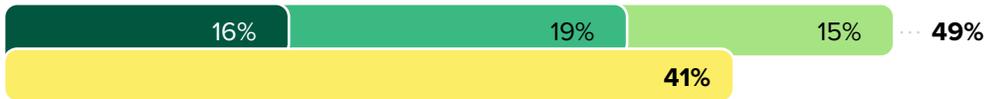
Intelligence that says the best number to call clients on



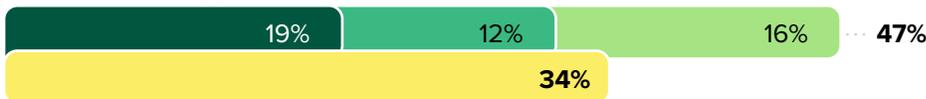
Intelligence that says the best day and time to reach out to clients



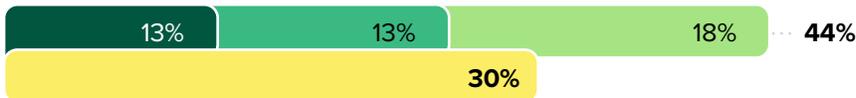
Proactive notifications of changes to identity and phone data



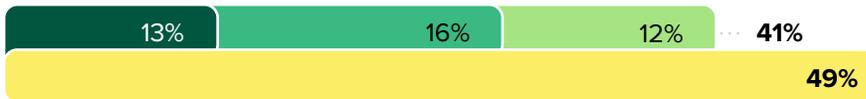
Up-to-date and appended contact information for clients



Notifications of compliance risk in contacting a consumer (e.g., Do Not Call, TCPA, CFPB Reg F)



Intelligence that says who to prioritize and who not to call



Base: 455 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations

Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

While most respondents say intelligence on the best time to reach customers is important, **only 37% have this capability.**



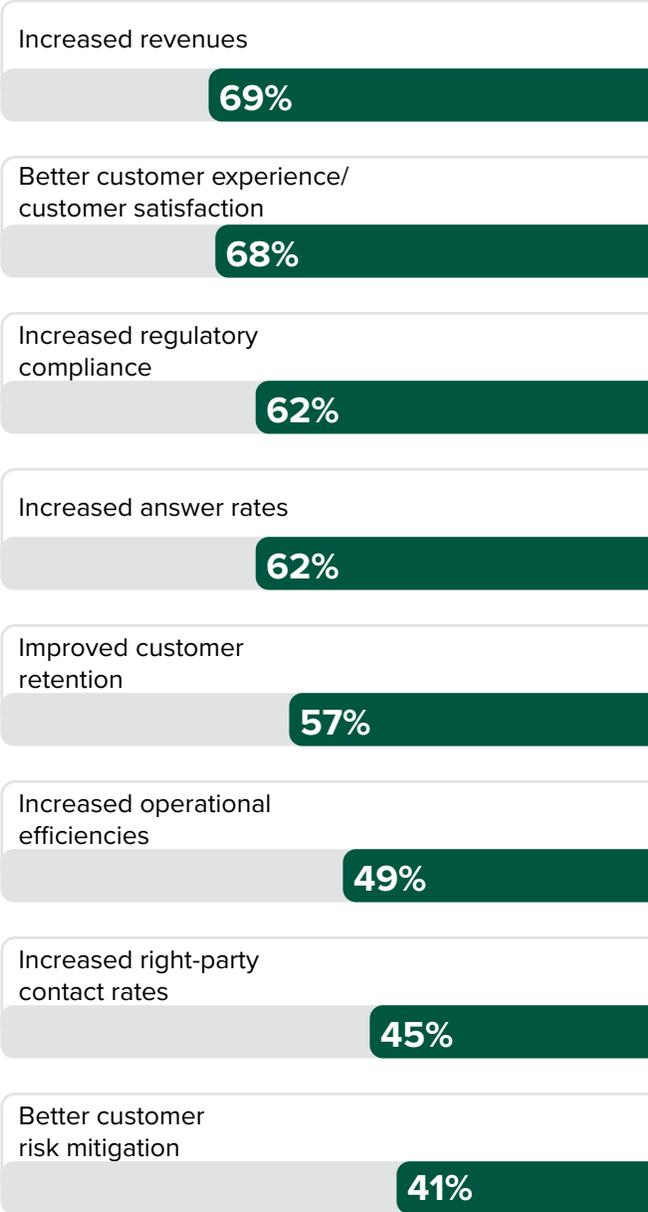
CUSTOMER CONTACT SOLUTIONS DELIVER ON TOP BUSINESS GOALS

Early adopters of customer contact solutions are using their capabilities to meet top customer experience and business goals. The enhanced customer intelligence and call transparency of these solutions help users (see Figure 13):

- Increase right-party contact rates.** When customers can clearly see who is calling, they are more likely to answer. This, combined with better intelligence on how to best contact customers, increases both answer rates and right-party contact rates. Sixty-two percent of early adopters report improvement in answer rates, and almost half report increased right-party contact rates as a result of their customer contact solution.
- Improve regulatory compliance.** Just 30% of survey respondents have intelligence on compliance risks when contacting consumers today. This can lead to significant costs for organizations that violate these rules. Sixty-two percent of customer contact solution users see better regulatory compliance results through their solution.
- Increase operational efficiency.** Lost productivity is the most common effect of voice channel challenges. The capabilities of customer contact solutions make agents more effective and productive. Nearly half of early-adopter respondents say they have seen increased operational efficiency because of their customer contact solution.
- Improve customer experience.** Many capabilities of customer contact solutions help

Figure 13

“What benefits has your company achieved from using customer contact solutions?”



Base: 186 business and technology decision-makers responsible for outbound contact experience strategy and technology selection at US organizations using or piloting customer contact solutions
 Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, a TransUnion company, July 2022

increase customer trust, demonstrate customer understanding, and provide a better customer experience — the number-one business goal in 2022. Early adopters of customer contact solutions report a range of customer experience benefits, including improved customer retention (57%) and better customer satisfaction (68%). Customer contact solutions give organizations the tools they need to better serve customers in outbound communications.

- **Reach higher revenue targets.** All the benefits of customer contact solutions translate into higher revenues through reduced costs, greater efficiency, and happier customers. Sixty-nine percent of respondent users report increased revenues through their customer contact solution.

Early adopters report a range of benefits from using customer contact solutions including increased answer rates, improved customer retention and satisfaction, and higher revenues.



Key Recommendations

Customers demand more from companies they do business with, and companies must hold on to that business. In fact, a customer-obsessed focus pays off. Forrester data shows that customer-obsessed companies report 2.5x higher revenue growth and 2.2x higher growth in profitability than companies that do not put their customers at the center of their strategy and operations.¹

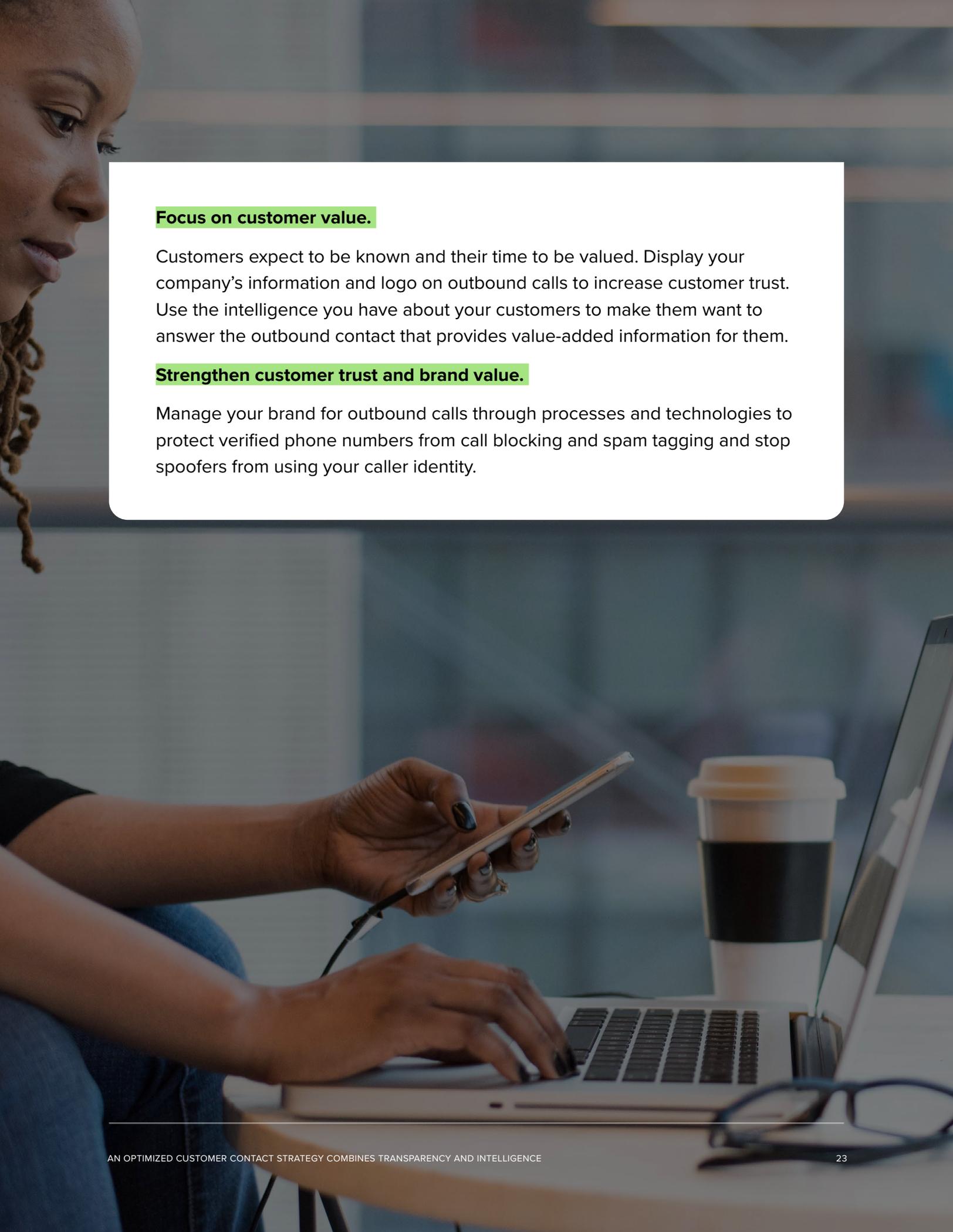
Customers today expect friction-free digital-first engagement that values their time and effectively engages them for both inbound and outbound interactions. Modern contact solutions for outbound communications improve customer trust and experience. They also help improve operational efficiency, contain costs, meet regulatory compliance or mitigate compliance risk, and drive higher revenue. Forrester's in-depth survey of business and technology decision-makers responsible for the outbound call channel yielded several important recommendations:

Pivot your company to become customer obsessed.

The only competitive strategy is one that obsesses with understanding, connecting with, serving, and delighting customers. Customer experience must be a core company strategy, and outbound operations must deliver experiences in line with customer expectations, which requires that firms understand how each customer prefers to receive communications — including the preferred contact channel, number, and time to contact.

Evaluate your operational strengths — and areas of opportunity.

Assess your outbound contact strategy and operations. Compare your operations with best practices, and identify areas of opportunity to address. Craft plans to uplevel operations. Often this will take a realignment of organizations within your company that own digital and voice communication channels. Quantify progress against core key performance indicators for cost, trust, and revenue at every stage of the modernization journey.



Focus on customer value.

Customers expect to be known and their time to be valued. Display your company's information and logo on outbound calls to increase customer trust. Use the intelligence you have about your customers to make them want to answer the outbound contact that provides value-added information for them.

Strengthen customer trust and brand value.

Manage your brand for outbound calls through processes and technologies to protect verified phone numbers from call blocking and spam tagging and stop spoofers from using your caller identity.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 455 collections, energy and utilities, financial services, government and public sector, healthcare, insurance, retail and e-commerce, telecommunications, and travel and hospitality decision-makers at organizations in the US to evaluate the current state of outbound customer communications. Survey participants included decision-makers in IT, customer experience, and lines of business responsible for outbound contact experience strategy and technology selection at organizations making more than 5,000 outbound calls per month. Respondents were offered a small incentive as a thank-you for time spent on the survey. The study was completed in July 2022.

Appendix B: Demographics

COMPANY SIZE	
500 to 999	35%
1,000 to 4,999	45%
5,000 to 19,999	14%
20,000 or more	5%

TITLE	
Manager	45%
Director	34%
Vice president	16%
C-level executive	5%

DEPARTMENT	
IT	49%
Customer experience	28%
Customer service	5%
Other line of business	19%

OUTBOUND CALLS PER MONTH	
5,000 to 499,999	30%
500,000 to 999,999	43%
1,000,000 to 9,999,999	16%
10,000,000 or more	11%

Note: Percentages may not total 100 due to rounding.

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

“Messaging Is Officially A Fiasco,” Forrester Research, Inc., July 8, 2022.

“The Three Customer Service Megatrends In 2022,” Forrester Research, Inc., March 15, 2022.

“Introducing A New Function: Unified Coordination For Outbound Communication,” Forrester Research, Inc., August 18, 2021.

Appendix D: Endnotes

¹ Source: “Value For Customers: The Essence Of Customer Obsession,” Forrester Research, Inc., February 25, 2022.

A man with short, light-colored hair is shown in profile, looking intently at a laptop screen. He is wearing a light blue button-down shirt. His right hand is raised to his forehead in a thoughtful gesture. The background is a blurred office environment with large windows and shelves. The overall lighting is soft and natural, suggesting a bright but slightly overcast day. The image has a clean, professional aesthetic.

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