



GROWING NUMBER OF CX ENTERPRISE EXECUTIVES CONSIDER GIGCX BUSINESS MODEL VIABILITY

Leading industry survey reveals growing interest among contact center managers in use of GigCX for labor arbitrage.



This white paper addresses GigCX labor arbitrage and global recruiting capabilities through on-demand platforms. The 2022 CX Front Office Omnibus Survey* from Ryan Strategic Advisory, sponsored by LiveXchange, comprised the principal resource, accompanied by interviews with Ryan Strategic Advisory CEO Peter Ryan.



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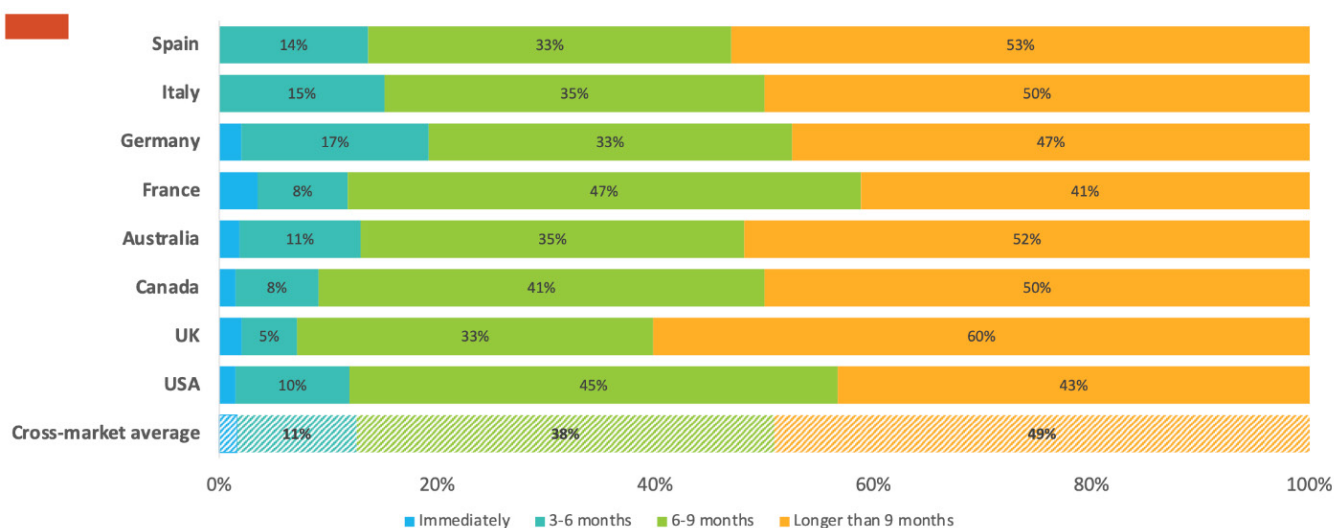


Introduction

How businesses find and use employees is just one of many areas shaken by the COVID-19 pandemic. During a crisis, having access to skilled workers is even more important than access to capital. This new form of labor arbitrage has particular application to the customer experience gig workforce (GigCX).

In onshore markets, finding individuals to work in CX roles is becoming harder than ever. Elevated attrition rates, locating the right talent, lack of agent knowledge, performance management, and use of new tools and platforms all lend themselves to the skills GigCX workers offer – and many enterprise contact center managers have a surprising openness to using GigCX workers at some point in 2022.

According to the 2022 CX Front Office Omnibus Survey from Ryan Strategic Advisory, 51% of respondents were willing to consider gig workers between now and the end of the calendar year. This factor was especially true in the USA, France, and Germany. Executives in the UK, Italy, and Spain were less enthusiastic.



Source: Ryan Strategic Advisory 2022 Front Office BPO Omnibus Survey



GigCX Labor Arbitrage Benefits

Employing the on-demand workforce for CX purposes offers two primary labor arbitrage benefits, according to Peter Ryan, CEO of Ryan Strategic Advisory: increased scope and greater staffing efficiency.



Increased Scope

“Engaging the on-demand workforce for CX purposes, the immediate impact will be that you’re effectively enlarging the pool of people that you have to work with,” Ryan says.

He suggests that many prospective employees would not want to work in a traditional customer service office environment but would consider the on-demand option due to its flexibility.

“A lot of individuals wouldn’t go for a traditional CX career working in a contact center where they go to work an eight- or nine-hour shift,” he says. “However, the on-demand option to work when, where, and for whom they want is very attractive to many people.”

Increasing the scope organizations draw from also improves workforce quality. That is because many on-demand workers are subject matter experts – a factor more prevalent in the on-demand workforce than in traditional contact center agent profiles.

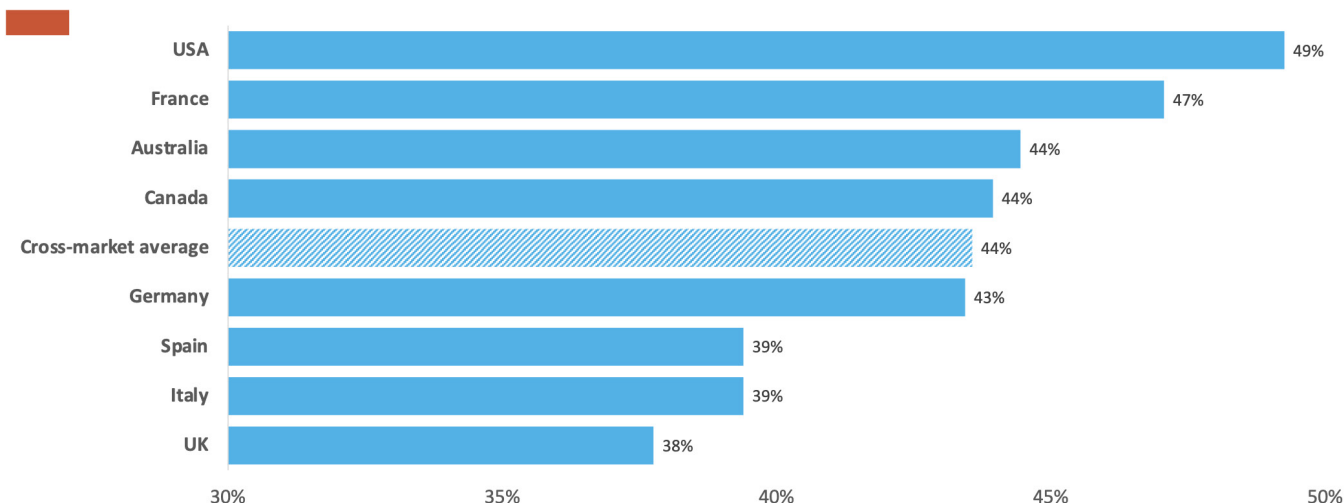
Greater Staffing Efficiency

Another benefit is the staffing efficiencies GigCX provides compared to working in a contact center.

“There are many inefficiencies in terms of downtime where they wouldn’t be answering a call or the latency that an individual might have,” Ryan says. “But on-demand, you’re effective as a client paying the CX provider for the uptime or the productive time of the agent; the time they’re not working, you’re not paying for.”

The Omnibus Survey found that just under 50% of the cross-market average of all respondents would consider GigCX as a viable option to improve staffing inefficiencies now or in the future.

The USA and France showed the most interest, followed by Australia, Canada, and Germany. While participants in Spain, Italy, and the UK expressed less interest, two in five considered the business model viable.



Source: Ryan Strategic Advisory 2022 Front Office BPO Omnibus Survey

“It’s gone from a niche way of delivering customer experience management to being a structural one, becoming a mainstay as part of a broader portfolio of CX services,” Ryan says.

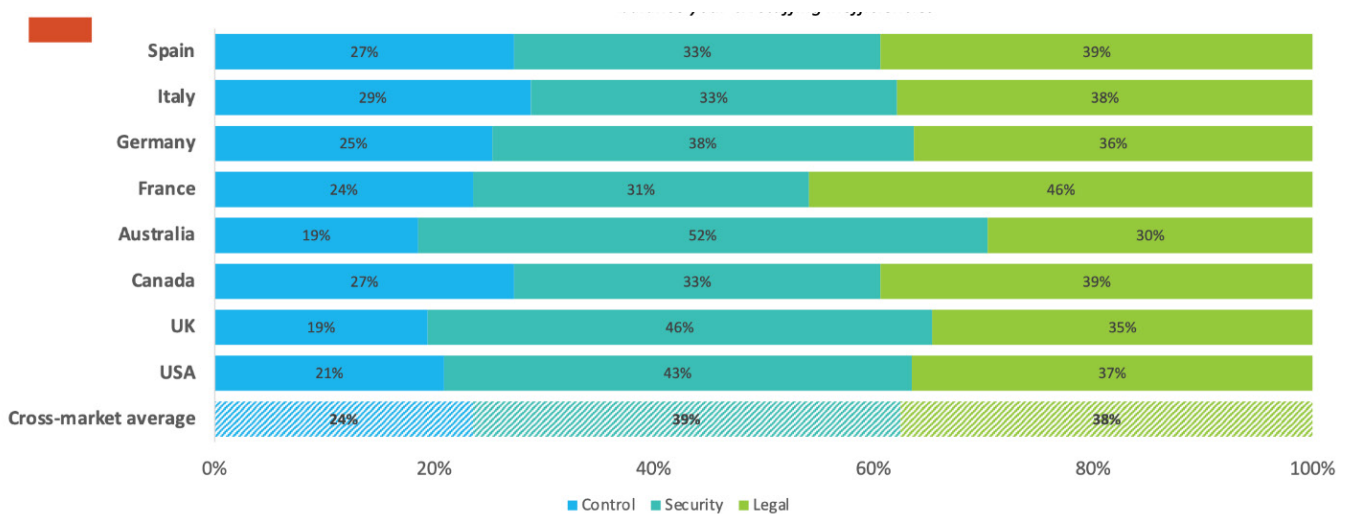
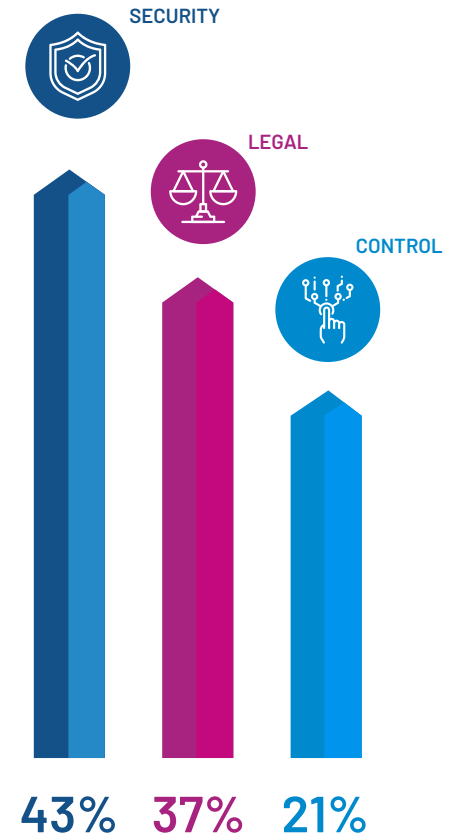


GigCX Labor Arbitrage Concerns

Based on the survey, CX enterprise decision-makers appear concerned about security and legal factors regarding the use of gig workers for labor arbitrage purposes.

Security was identified as the number one problem among participants in Australia, the UK, and the USA but was somewhat more muted in Italy, Canada, and Spain. Legal matters were the principal inhibitor for those based predominantly in France, Spain, and Canada. Loss of control ran a close third.

According to Ryan, except for Australia, all other locations showed relative consistency with the cross-market average. “There seems to be an evenly spread series of worries or potential inhibitors,” he says.



Source: Ryan Strategic Advisory 2022 Front Office BPO Omnibus Survey



Omnibus Survey Conclusions

We can draw two conclusions from the Omnibus Survey findings:

1. GigCX working is an increasingly viable model in buyers' eyes.

Enterprise CX managers are open to the gig working model, with a significant number indicating a willingness to consider deploying gig workers by year-end. This discovery validates that customer experience managers require more flexible ways of delivering support to consumers, and they can now look at non-traditional delivery to achieve their ends.

2. Addressing concerns around gig working will be essential to gain wider CX acceptance.

The survey notes considerable concern around security and legal liabilities when using gig workers to manage interaction volumes. Addressing these matters (or any others) and correcting misperceptions will be paramount for suppliers of gig work solutions. The only way to ensure that gig work continues its advance toward the CX mainstream is for solutions vendors to address their prospective clients' concerns.

Recommendations



GigCX should represent a part of the transformation for organizations that want to gain a fresh foothold on the market. Customer experience management is rapidly evolving, and CX executives who pivot quickly and adapt will find the most success.

GigCX is not a replacement but a complement to an organization's current operating model. By adopting a GigCX platform as part of a broader delivery solution alongside in-center, work-from-home, and hybrid operations, contact center managers can tap into a robust talent pool of ready-to-work individuals cost-effectively and with greater efficiency.

With more customer service interactions delivered by talent based in remote locations, the need for a cross-ecosystem offering that considers all aspects of the customer experience value is even more apparent.

The LiveXchange GigCX Marketplace platform meets the needs of the on-demand customer service workforce from both the organization and gig worker perspective.

The platform covers all aspects of GigCX workforce management, including sourcing, training, and managing teams, scaling up or down based on the organization's needs. It also resolves security concerns with built-in anti-fraud protection, service provider vetting, and PCI certified.



About Ryan Strategic Advisory

Ryan Strategic Advisory provides market insight, brand development initiatives, and actionable data for organizations in the customer experience services ecosystem. With two decades of experience, Ryan Strategic Advisory supports outsourcing operators, technology providers, industry associations, and economic development agencies.



About LiveXchange Technologies

LiveXchange, founded in 2002, helps companies manage all aspects of the customer engagement lifecycle by leveraging its proprietary PCI Level 1 certified, turnkey GigCX marketplace plus a host of related technology and tools, the combination of which have been used and perfected by more than 150,000 virtual, on-demand GigCX workers.

** The 2022 CX Front Office Omnibus Survey reflected the views of 668 enterprise executives from eight countries – Australia, Canada, France, Germany, Italy, Spain, the United Kingdom, and the United States – each with strategic decision-making responsibility over contact centers inside their respective organizations.*

Interviews were conducted over the telephone during Q1 2022 in English, French, Spanish, Italian, or German (depending on the respondent's country of residency).

Vertical markets in the sample base included cybersecurity, green enterprises, retail banking, insurance, health care, government, retail, gaming, e-commerce, technology, fintech, travel/hospitality/leisure, telco, digital media, and utilities.

The respondents' revenue mix ranged from \$10 million to over \$5 billion (USD).



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L I V E X C H A N G E . C O M

