

TMC®

# CUSTOMER INTER@CTION *Solutions*®

May 2007 • Vol. 25/No. 12  
www.cismag.com



#1 In CRM, Call Centers And Teleservices Since 1982™

**THE INDUSTRY IS  
ALIVE & WELL  
42,000 NEW JOBS CREATED  
BY CONTACT/CRM CENTERS IN Q1 2007**

- Top 10 Advantages of Software As A Service
- 5 Things About IP Call Recording You Need To Know
- Calculating The ROI Of Workforce Management
- Speech Analytics: The Fastest-Growing App In Contact Center History
- Serving The U.S. Hispanic Marketplace

TMC **Call Center 2.0™**

September 10-12, 2007  
Los Angeles Convention Center  
Los Angeles, California  
www.callcenter20.com

# If you value your customers...

## ...why do you keep them ON HOLD?



With **InfoCision**, they won't be.

We answer your calls quickly and develop a lasting relationship with your customers. A few minutes on the phone with InfoCision means a lifetime of customer loyalty for you.

**9 seconds**  
Average time to answer inbound calls.

**92 percent**  
Percent of inbound calls answered in 20 seconds or less.

**3 percent**  
Overall percent of inbound calls abandoned.

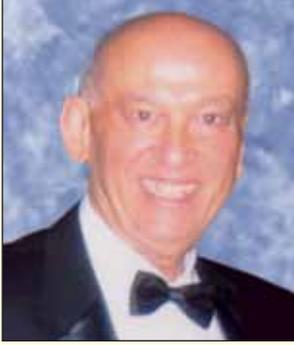


**InfoCision**  
THE highest quality call center company in the world!®

Contact us at 1-866-670-4IMC | [www.infocision.com](http://www.infocision.com)



\*InfoCision is the only teleservice company to win the MVP Quality Award, presented by *Customer Interaction Solutions* magazine, all 14 years since its inception.



By: Nadji Tehrani,  
Founder, Chairman & CEO, Editor-in-Chief,  
Technology Marketing Corporation

# THE INDUSTRY IS ALIVE AND WELL

## 42,000 NEW JOBS CREATED BY CONTACT/CRM CENTERS IN Q1 2007

As I stated in my January 2007 editorial of this publication, contact/CRM centers and customer interaction centers continue to grow at a very rapid pace in 2007. When you think about it, this type of growth for an industry which is officially in its twenty-sixth year is simply phenomenal!

Back in 1982, at the debut of this publication, which was launched as *Telemarketing*<sup>®</sup> magazine, the industry was practically non-existent. In fact, we simply ran out of things to write about in the second issue of *Telemarketing*<sup>®</sup> magazine. My editor came to me and said, "I can't find anything to write about. Are you sure this is an industry?" My answer was, "No, I am not sure, but we are going to make it an industry." Believe it or not, the industry was founded right then and there. Hard

[alert - quote](#)) Gary and Mary West, and Steve and Sheri Idelman, the founders of ITI Marketing, to name a few. I also traveled to AT&T and spoke with John Wyman, the Vice President of Marketing for Long Lines. He offered a tremendous amount of help as well. The rest of it was hard work and many, many late nights trying to lay the foundation of this industry back in 1982 when it was just being conceived. In the June 2006 issue, we celebrated the twenty-fifth anniversary of our industry, which started from near non-existence to what is now estimated to be nearly a trillion dollar industry worldwide employing in excess of 15 million people. To say that this industry has benefited many people is simply an understatement. While our new, pioneering magazine, *Telemarketing*<sup>®</sup>, was trying to educate the world about the benefits of telemarketing, a group of vendors who were obviously influenced by our writing and promotions came along and contributed immensely by developing the automation solutions, software and hardware necessary to promote the productivity of the industry. During

**Corporate America, indeed, made a huge mistake of sacrificing customer care and customer service by transferring it only for "cheaper labor" to the countries where rudeness is completely accepted and is part of the cultures.**

work, blood, sweat and tears were necessary to find the virtually non-existent success stories that would give some hope for the development of this industry. I traveled to Omaha, Nebraska to learn from the founders of [West Corporation](#), ([news -](#)

that great gala event in New York City in May of 2006, the industry honored me by offering me a bronze plaque as the industry's founder and visionary. Indeed, I was very humbled to share our success with the rest of the hundred-plus CEOs who were also founders of different aspects of the industry. What a great night it was!

Back in 1982, I chose the tagline of *Telemarketing*® magazine to read, "The magazine of electronic marketing." It was my vision 26 years ago that someday marketing, as an important part of business, would be conducted electronically. At that time, I was almost ridiculed by everyone who said that direct mail was the only way to go. Today, we know better. Telemarketing grew to be a trillion-dollar industry, and every company is a call center. Moreover, if you take the phone out of any company, that company will probably go under in a very short time. In other words, the telephone and telemarketing continue to play a vital role in global business. Otherwise, this industry would not have continued to grow into a trillion-dollar industry in just 25 years. Of course, I am proud of my colleagues and I am proud of TMC staff members who have also worked extremely hard to make it happen. What didn't make sense was that our vision that marketing was undergoing an evolution from traditional methods to electronic marketing was not initially shared by anyone else.

Toward the end of the last century, in 1999 and 2000, a new trend began to develop: namely, the tremendous cost-savings offered by "cheap labor" in India, the Philippines and the like. This created a new phenomenon called offshoring. Practically every company, large or small, started to take their operations to India, the Philippines, etc. Shortly after this development, I began to observe another developing phenomenon. I predicted that before

too long, all of these companies that were leaving the U.S. and taking jobs to other countries would come back to the U.S. after having lost millions of dollars. The reasons I gave for the lack of success of telemarketing in those countries were as follows:

1. Major cultural differences and lack of familiarity with American culture;
2. Significant problems with the English language and heavy accents;
3. Running the call centers like sweat shops to keep the costs down;
4. Over-promising and under-delivering;
5. Major time differences; and
6. Last but not least, inhumane treatment of call center staff by supervision, just to name a few.

**When the call center staff was treated like dirt, as indicated in the above identified six problems, they would also treat your customers like dirt.**

Corporate America, indeed, made a huge mistake of sacrificing customer care and customer service by transferring it only for "cheaper labor" to the countries where rudeness is completely accepted and is part of the cultures, not to mention the fact that when the call center staff was treated like dirt, as indicated in the above identified six problems, they would also treat your customers like dirt. Once again, as a visionary, I saw the problems coming and I was a universe of one. In other words, no one else but me predicted that when Corporate America learned the hard way by losing a ton of money in this unfortunate offshoring experiment, they would be forced to come to their senses and bring most, if not all, of their business back to this country and to a few other "nearshore" countries that have none of the above cultural problems and where the beneficiary of having similar cultures as well as similar values and spoken English was an important asset.

**Executive Group Publisher**  
Nadji Tehrani (ntehrani@tmcnet.com)

**Group Publisher**  
Richard Tehrani (rtehrani@tmcnet.com)

**Editorial**  
203-852-6800 (cispress@tmcnet.com)  
**Editorial Director**, Tracey E. Schelmetic  
**Associate Editor**, Patrick Barnard

**TMC™ Labs**  
203-852-6800 (tmcclabs@tmcnet.com)  
**Executive Technology Editor/CTO/VP**, Tom Keating

**Art**  
203-852-6800 (cisart@tmcnet.com)  
**Creative Director**, Alan Urkawich  
**Graphic Designer**, Lisa A. Mellers

**Executive Officers:**  
Nadji Tehrani, *Chairman and CEO*  
Richard Tehrani, *President*  
Dave Rodriguez, *VP of Publications & Conferences*  
Kevin Noonan, *VP of Business Development*  
Michael Genaro, *VP of Marketing*  
Tom Keating, *VP, CTO*

**To Subscribe, Call: 203-852-6800**

Or write to the circulation director at srusso@tmcnet.com. Subscription rates (published monthly): Digital Subscriptions free for qualified U.S., Canadian and Foreign subscribers. Print Subscriptions free for qualified subscribers in the U.S.A. only. For non-qualified U.S.A. subscribers, \$49. All Canadian subscribers, \$49. All Foreign (air mail), \$85. All orders are payable in advance in U.S. dollars drawn against a U.S. bank. Connecticut residents add applicable sales tax.

**Circulation Director**, Shirley Russo (srusso@tmcnet.com)

**Reader Input:** CIS encourages readers to contact us with their questions, comments and suggestions. Send e-mail (addresses above), contact our Web site (www.cismag.com) or send mail.

We reserve the right to edit letters for clarity and brevity. All submissions will be considered eligible for publication unless otherwise specified by the author.

**Reprints:** For authorized reprints of articles appearing in CIS, please contact Reprint Management Services at 1-800-290-5460 or e-mail them at tmcnet@reprintbuyer.com.

**Lists:** For list rentals, please contact Glenn Freedman at glennf@l-i-s-t.com or call 516-358-5478, ext. 101.

**Advertising Sales: 203-852-6800**

Kevin J. Noonan, ext. 124 (knoonan@tmcnet.com)  
*VP of Business Development*

Karl Sundstrom, ext. 119 (ksundstrom@tmcnet.com)  
*Senior Advertising Director*  
*Eastern, Western, International*

**Exhibit Sales: 203-852-6800**

*Global Events Account Directors*  
**Companies whose names begin with:**

- A-G or #s:** Maureen Gambino (mgambino@tmcnet.com)
- H-P:** Chris Waechter, ext. 108 (cwaechter@tmcnet.com)
- Q-Z:** Joe Fabiano, ext. 132 (jfabiano@tmcnet.com)

**Editorial Offices** are located at  
One Technology Plaza, Norwalk, CT 06854 U.S.A.  
**Customer Service:** for all customer service matters,  
call 203-852-6800.

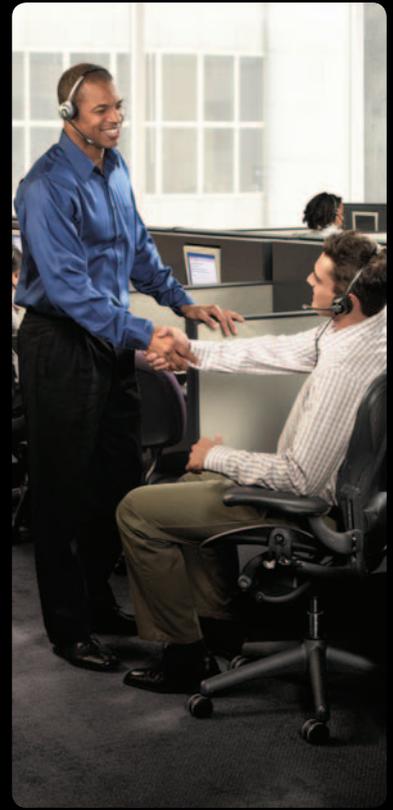
**CUSTOMER INTER@CTION Solutions**® magazine has been the voice of the industry since 1982. It is written by industry practitioners for industry practitioners and is regarded worldwide as the "Bible" of the industry. An annual Buyer's Guide is provided as a feature of the December issue.

Copyright © 2007 Technology Marketing Corporation. All rights reserved. Reproduction in whole or part without permission of the publisher is prohibited.

Customer Inter@ction Solutions® and the TMC Logo are registered trademarks of Technology Marketing Corporation.

**A Technology Marketing Publication** 

One Technology Plaza,  
Norwalk, CT 06854 U.S.A.  
Fax#: 203-853-2845  
Sales Dept. Fax#: 203-838-4070

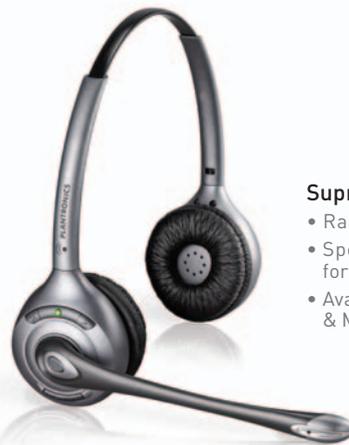


# HANDLE IT ALL WITHOUT MISSING A CALL

## GO WIRELESS AND GO WHERE YOU'RE NEEDED

Everything changes when your headset goes wherever your feet take you. So free yourself with the SupraPlus® Wireless, and start handling escalations and speeding resolutions without missing your own important calls.

Learn more at [www.plantronics.com/goodcall](http://www.plantronics.com/goodcall)



### SupraPlus® Wireless

- Range up to 300 feet
- Specifically designed for the contact center
- Available in Binaural & Monaural models



**A Most Revealing Survey Proves Our Point**

A recent quarterly survey produced by a company called Site Selection Group ([www.siteselectiongroup.com](http://www.siteselectiongroup.com)) provides us with extremely revealing statistics. I personally called Mr. King White, Founder and President of Site Selection Group, to verify and learn about his methodology. I was convinced that he indeed knew what he was doing and obtained his

authorization to use a condensed version of his research about contact center industry growth and development. Table 1 below indicates the summary of his findings.

**Analysis and Discussion**

It is extremely significant to note that while at the turn of the year 2000, nearly 80 to 90 percent of new contact centers were placed in India; in Q1 of 2007, only one call center went to India.

The fact is, as I predicted before, the majority of companies that went to such "cheap labor" countries came to the realization that you get what you pay for, which explains the tremendous return of these companies to create a whopping 39 percent of call centers worldwide either coming back to the U.S. or benefiting from internal growth.

**The Bottom Line**

The industry is alive and well. I predict that others who went offshore, primarily attracted by "cheap labor," will continue to return to the U.S. when they discover there is no substitute for quality, customer care, customer service, customer loyalty and customer retention.

As always, I welcome your comments. Please e-mail me at [ntehrani@tmcnet.com](mailto:ntehrani@tmcnet.com).

**Total net new jobs created in Q1 of 2007 equals approximately 42,000**

41.2 percent of the new jobs were created in North America as follows:

- **United States - 39 percent job growth**
- **Canada - 2.4 percent job growth**
- South America (primarily Argentina) - 21 percent job growth
- Philippines - 11.9 percent job growth
- India - 17 percent job growth (only one large call center went to India in Q1, which explains the high percentage)
- Other - 8.6 percent job growth in countries such as Jamaica, Barbados and Kenya

Table 1



During my twenty years in the contact center and teleservices industry, I have learned two important lessons pertaining to client expectations. First and foremost, the client expects and deserves superior call quality and contact center performance on behalf of their customers. Secondly, the client deserves an honest, open and straightforward relationship with their vendor. In other words, a no-excuses environment.

I consider these two items to be the cornerstone of a strong client/vendor relationship. I am proud of the fact that our very experienced management staff shares and expresses this belief through their everyday client interactions. This fact is further substantiated by their ability to utilize their former client relationships as references.

At Thomas L. Cardella & Associates, you will find not only the latest state-of-the-art technology, but an experienced management team that understands the core fundamentals of building long-term business relationships.

We look forward to better understanding your business, and how we might be of assistance.

- 2007  
President / CEO,  
Thomas L. Cardella & Associates
- 2005-2007  
Community / Charity /  
Volunteer Efforts
- 2003-2005  
Chairman / CEO,  
Precision Response Corporation / PRC  
(Retired)
- 2001-2003  
President,  
Hancock Information Group
- 1995-2003  
President / Founder,  
Access Direct
- 2004  
Inducted into Customer Interaction  
Solutions Hall of Fame
- 1995-2005  
Ten consecutive Quality Awards  
from Customer Interaction Solutions

**Thomas L. Cardella**  
ASSOCIATES

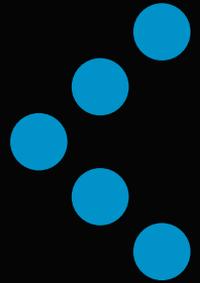
Contact Center Specialists

[www.tlcassociates.com](http://www.tlcassociates.com) | 888-788-0333



# Customer defections on the rise?

Not on our watch.



Customers are far too precious to risk. Ensure customer loyalty with intelligent enterprise quality and performance solutions from Verint. Stop customers from defecting before it happens with an unparalleled portfolio of Recording, Quality Management, and Performance Management solutions. Leverage advanced speech and performance analytics for insights you won't get anywhere else. Customers defecting because agents need more training? Because of billing errors in the back office? Because of a new competitive promotion? Not on our watch. Know what's happening across your enterprise and why – and take action to drive results. **To learn more, visit [verint.com/notonourwatch-cc](http://verint.com/notonourwatch-cc) or call 1-800-4-VERINT.**



Recording

Quality Management

Performance Management

Analytics

# Contents

## DEPARTMENTS

- 1** **Publisher's Outlook**  
By Nadji Tehrani, Executive Group Publisher, Technology Marketing Corp.
- 8** **High Priority!**  
By Rich Tehrani, Group Editor-in-Chief, Technology Marketing Corp.
- 12** **Customer Inter@ction News™**
- 12** **CallCenterComics.com**  
By Ozzie Fonesca
- 34** **Last Call**  
By Tracey E. Schelmetic, Editorial Director, Customer Inter@ction Solutions
- 35** **The Integrated Marketplace™**
- 35** **Identification Statement**
- 35** **Advertising Index**

## CUSTOMER RELATIONSHIP MANAGEMENT

- 16** **CRM SaaS: Paying More For Uptime**  
By David Sims, Contributing Editor, TMCnet
- 17** **Customer Interaction Solutions' Eighth Annual CRM Excellence Awards, Part One**  
By Tracey E. Schelmetic, Editorial Director, Customer Interaction Solutions

## OUTSOURCING TELESERVICES

- 18** **Serving The U.S. Hispanic Marketplace**  
By Tracey E. Schelmetic, Editorial Director, Customer Interaction Solutions

## WORKFORCE OPTIMIZATION

- 20** **Calculating The Return On Investment Of Workforce Management**  
By Rick Seeley and Rick Glew, IEX Corp.
- 22** **Achieving Differentiation Through Customer Centricity**  
By Vance Christensen, Witness Systems

## CONTACT CENTER TECHNOLOGY

- 24** **The Top 10 Advantages Of Software As A Service For The Call Center**  
By Patrick Barnard, Associate Editor, Customer Interaction Solutions

## IP CONTACT CENTER

- 28** **Five Things To Know About IP Call Recording For The Contact Center**  
By Tracey E. Schelmetic, Editorial Director, Customer Interaction Solutions

## SPEECH TECH

- 32** **Speech Analytics: The Fastest-Growing Application in Contact Center History**  
By Susan J. Campbell, Contributing Editor, TMCnet

## ASK THE EXPERT

- 36** **Ask The Expert: Tim Passios, Director of Product Management, Interactive Intelligence**



24

### TMCNET.COM ONLINE EXCLUSIVES



#### Adding Voice To Your Knowledgebase For Improved Customer Support

By Stefania Viscusi, TMCnet Assistant Editor  
*When it comes to offering customer support, many companies have expanded their communications channels offering online support and self-service options in addition to just telephone communications. However, since many have not embraced the availability of support via the Web completely-- whether for technical reasons, or just the need to talk to a live person, there are still a number of costly calls coming into technical support lines that can be reduced with the addition of speech.*  
Read the full article at <http://www.tmcnet.com/664.1>

#### Why Your Business Needs CRM

By David Sims, TMCnet Contributing Editor  
*Today's topic is "Why your business needs CRM." We can dispose of this in short order. Three reasons: Because your business has not developed The Better Mousetrap, you still need customers and the Magic Sure-Fire Cust-O-Trometer, with analog or digital dial settings for how many customers will be magnetically drawn to your business today, is still on the drawing board. Need more reasons? Okay, how about the fact that you're not running a corner grocery in Smalltown, Ohio in 1903?*  
Read the full article at <http://www.tmcnet.com/665.1>

#### Nine Percent Of U.S. Households Now Have VoIP

By Patrick Barnard, Associate Editor, Customer Interaction Solutions  
*According to In-Stat's research, more than 61 percent of active residential VoIP users had discontinued or replaced a traditional phone service when they got their VoIP service. Of those, 76 percent decided to go with a network/ATA-based service, like those offered by the cable companies or Vonage.*  
Read the full article at <http://www.tmcnet.com/666.1>

To receive free information from our premium advertisers, please visit [freeinfo.tmcnet.com](http://freeinfo.tmcnet.com)

Want to learn more about call centers and CRM? Then be sure to check out TMCnet's White Paper Library, which provides a selection of in-depth information on relevant topics affecting the contact center industry. The library offers white papers, case studies and other documents which are free to registered users. The papers are authored by industry leaders who, in turn, receive qualified sales leads from interested parties. Visit <http://www.tmcnet.com/tmc/whitepapers>.



# “yes!”

**to Contact Center Managers** who don't want to feel remote agents are too remote.

**At-home agents aren't just a growing segment of the contact center workforce.**

*They're a FORCE, period.* And they can add business continuity, reduce costs and improve your scheduling capability from every corner of the world.

The question is, do you have the technology platform to give them everything they need to be successful?

The *Customer Interaction Center*® (CIC) from Interactive Intelligence gives you a scalable SIP-based multi-channel contact center platform to optimize at-home agent resources.

No specialty hardware needed at an agent's location. No loss of features or functionality just because they're not in your contact center. Simply everything agents and supervisors need wherever they are. All completely manageable from wherever you are.

**CIC.** One fully integrated solution to keep at-home agents close to home.



INTERACTIVE INTELLIGENCE  
Deliberately Innovative

We say YES! to your contact center  
and remote agents.

[www.inin.com](http://www.inin.com)

Contact us. We welcome the opportunity to discuss designing and implementing the right platform to drive a successful remote agent strategy for your contact center.



By: Rich Tehrani,  
Group Publisher, Group Editor-in-Chief,  
Technology Marketing Corporation

## Dynamic CRM From Microsoft

In my quest to keep abreast of the latest developments in the CRM marketplace, I like to take the time to touch base with the most prominent and innovative CRM solutions providers several times each year to find out where they've been, where they are now and where they are going. CRM is a rapidly changing technology (one might even say that at any given moment, the term "CRM" means something different to anyone who looks at it).

Because of the changeable nature of CRM, the Microsoft division that covers CRM is well named: Dynamics. I recently got a chance to catch up with Brad Wilson, General Manager of Microsoft Dynamics CRM.

RT: What kinds of capabilities can Microsoft Dynamics CRM provide to small to medium-sized businesses that they cannot or are not getting from other providers in the space?

BW: Our approach is a bit different from that of other CRM companies. We've found that most small to medium-sized businesses can't absorb a lot of technologies that require a steep learning curve or hours in training classes. One of the key ways we're addressing this is to provide a CRM solution delivered within the familiar look and feel of Microsoft ([news - alert - quote](#)) Outlook and other Microsoft Office applications, enabling employees to work more productively and keep customer information current.

Other big differentiators for us — the deep verticalization and deep customization available using standard technology. The Microsoft Dynamics CRM platform is very easy to customize. That's been a big Achilles' heel for the industry in general; customizing an enterprise application typically involved using a very complex, proprietary toolset that was hard to understand or maintain. We've simplified the process by building a metadata-driven application platform that's

both upgradeable and portable.

RT: To what do you attribute the frankly very negative perception and outright failure of many of the early CRM implementations in the dot-com era that led to a lot of expensive systems gathering dust? Whose fault do you think this was?

BW: The primary cause for most CRM failures has been poor user adoption, driven by a complex and unfamiliar application experience. While these systems may have worked in theory, they fail the test of supporting the way real people do their job everyday. Much of this was caused by vendors focusing on features and functions rather than on driving productivity for the people whose adoption of the system is essential to making CRM succeed within the organization. A secondary factor was the sheer complexity and cost involved in installing and maintaining a CRM system, making it difficult for businesses to ever achieve a decent return on investment.

RT: How has the industry moved to correct these problems?

BW: Microsoft entered the CRM market four years ago with a different perspective on delivering CRM to customers. Gartner recently wrote that it expects Microsoft CRM to be the fastest-growing CRM product in 2006 and 2007. They attributed this growth largely to our ability to provide tight integration with

## NICE SmartCenter™

### Right-Time

Take timely action  
to drive business  
performance.



### Insightful

Gain strategic  
understanding of  
customers and markets.



### Proactive

Stay one step ahead  
of the customer—  
and the competition.



## Don't make a move. Until you look at NICE SmartCenter™

Using recording, quality management or workforce management?  
Looking to upgrade, or leverage them to boost performance? Make the  
right move with NICE SmartCenter—and use adaptive interaction analytics  
to turn your contact center into a business performance engine.

NICE is the market leader, with over 24,000 customers—including more than  
75 of the Fortune 100—in over 100 countries.

**Call 1-866-440-NICE, or visit [www.nice.com/nicesmartcenter](http://www.nice.com/nicesmartcenter).**

Insight from Interactions™

**NICE®**

Outlook and our delivery of what they call a “basic, pragmatic solution.” We’ve made user productivity a core value for our system because people are the linchpin to its success. We’re providing a platform that is highly configurable and easy for most companies’ IT organizations to adopt and embrace. These two factors are the ones we believe are contributing most to a change in the CRM landscape.

RT: Microsoft seems to believe that CRM should be a business-driven and not technology-driven concept. Can you elaborate on that a little?

BW: At Microsoft, we believe CRM is more than a product — it’s a strategy. Our role is to deliver highly productive, cost-effective technology that enables organizations to implement this strategy and impact its goals. Technology should be mapped to a company’s business requirements — an enabler, so to speak, rather than the driver.

That’s why our approach is to offer technology that works the way people and businesses do, using a familiar interface and tools like our powerful, SQL-based reporting services that offer multiple ways of viewing and understanding the power of their data. A customer example of this is Volt, a staffing solution company with more than 350 offices throughout the U.S. The company has experienced great success with Microsoft Dynamics CRM and credits a high rate of user adoption to things like native Outlook integration and the ability for employees to work within a system they’re already familiar with. An internal survey they conducted found that 83 percent of respondents saw Microsoft CRM as “a significant improvement and easier to manage” than the method they were using previously.

RT: Can you tell us a little bit about the Mobile version of Microsoft’s CRM product? What kinds of companies are using it and how?

BW: Microsoft supports two mobile solutions: CRM Mobile and CRM

Mobile Express. CRM Mobile is a native Windows Mobile application that provides full access to SFA data in a mobile environment. This allows users who aren’t always at their desks — like sales reps — to easily update customer information or order quantities on the road and be notified of updates via alerts.

We also recently introduced CRM Mobile Express for Microsoft Dynamics CRM 3.0, which gives users full access to all CRM information across a wide range of mobile devices.

RT: A lot of CRM implementations run into trouble because users find it too complicated, too different or are just unwilling to change. Do you think Microsoft has an edge on other solutions because of its familiar interfaces?

BW: Absolutely. For a person who relies on Microsoft Outlook to organize e-mail, calendar and tasks, he or she will often find that Microsoft Dynamics CRM provides the easiest and most natural way to add CRM capabilities to their existing work style. We have customers whose users don’t even know they’re using CRM, because the data are part of their everyday Outlook user experience. A great example of this is the case of Raymond James Financial, Inc., one of the largest U.S. financial services firms. The company, which has a nationwide network of more than 4,600 financial advisors, has plans to initially offer 3,000 Microsoft Dynamics CRM licenses to its network. But the company expects to increase the number to more than 5,000 over the next two or three years: they literally have advisors begging for it because they are seeing how widely and quickly it’s being adopted throughout the company.

RT: What steps do you recommend buyers of CRM take to determine whether a licensed solution or a hosted solution, or a combination of the two, will best suit their needs?

BW: We are committed to delivering both on-premise and SaaS (software as a

service) deployment options to companies looking to implement CRM. We call it the “Power of Choice” — giving customers a choice of how to deploy the system (software as a service or on-premise software), a choice of how to access the system (via Office/Outlook, Web browser or mobile device) and a choice of how to pay for the system (perpetual licenses or subscription).

Microsoft believes that the decision of how CRM will be deployed should be driven by each organization’s unique business and technology needs/capabilities. For some companies, short-term constraints on the IT side may make SaaS more attractive as a deployment model. Others may choose SaaS as part of a strategic decision for how business application functionality will be delivered to their company. And there will always be those who select a purely on-premise deployment. The deciding factors driving these decisions include IT capacity, capital budget cycles and preference for operating versus budget expense.

RT: Most companies seem to confine use of CRM solutions entirely to the sales departments and/or the call centers. What other functions within an enterprise or SMB can benefit from the use of CRM?

BW: Our goal is to enable transparent CRM — the ability for anybody within a company, whether sales, marketing or contact center — to access customer data whenever and however they need it. Companies can tailor Microsoft CRM to align with business processes, streamlining both the type and delivery of information. That’s the benefit of having a CRM solution that “works the way your business works.” Companies want just the right amount of CRM to do their job, and in a way that’s not obtrusive — what we refer to as “Alt-Tab CRM” — that’s the benefit of being accessible in Microsoft Outlook, an application most people use every day. This can include reporting in Microsoft Office Excel or providing predictive analytics via our recently released Analytics Foundation.

RT: Thank you for your time.



## We enable you to **Embrace Change with Peace of Mind.**

The cornerstone of the Altitude approach is our industry-recognized agility, willingness and effectiveness to meet and surpass customer demands.

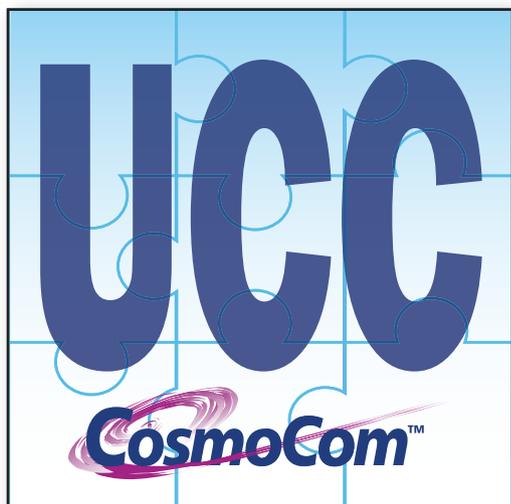
We deliver more than just leading-edge **contact center solutions**. We offer customers a solid partnership in the field of professional services, processes and tools; based on our worldwide and in-depth experience and expertise.

For more than 13 years we have successfully helped customers improve their customer service experience and deploy state-of-the-art contact centers.



**[www.altitude.com](http://www.altitude.com)** • [callus@altitude.com](mailto:callus@altitude.com) • toll-free: +877 474-4499

# Build Your Unified Contact Center (UCC) on a Unified, Consolidated (Not “Integrated”) Platform



Everyone's talking about Unified Communications, but **CosmoCom** has the only all-IP, truly unified contact center platform for Unified *Customer* Communications.

**All communication channels**  
**One virtual call center for all locations**

With most call center functions built-in and working together out of the box, and with standard software APIs that connect quickly and easily within the IT environment, CosmoCall Universe™ enables

**Fast implementations**  
**Low-risk, high-reward projects**

And with its proven high capacity and its multi-tenant architecture with tenant self administration, you can reap these benefits for any number of call centers in your enterprise and **consolidate them all** on one platform, in your data center or through one of our hosted service providers.

**Puzzle solved!**



Learn more at [www.cosmocom.com](http://www.cosmocom.com)  
To schedule a demo, call +1 631-940-4202  
or e-mail [info@cosmocom.com](mailto:info@cosmocom.com)

Copyright © 2007 CosmoCom, Inc. All Rights Reserved.



By Tracey E. Schelmetic, Editorial Director, Customer Inter@ction Solutions

### VPI, SER Optimize Call Recording Through Speech

A strategic partnership has been forged between [Voice Print International Inc.](#), ([news](#) - [alert](#)) a provider of integrat-



ed interactions recording and proactive work-force optimization applica-

tions, and [SER](#), ([news](#) - [alert](#)) a call management and speech analytics solutions company. VPI's Activ! Performance Suite and Prioriti Interactions Suite are interactions recording and WFO solutions developed for organizations in the private and public sectors, respectively. To keep with the company's dedication to providing customers with advanced, effective solutions, VPI is integrating SER's speech analytics technology into both of its product suites.

<http://www.vpi-corp.com> and [www.ser.com](http://www.ser.com)

### Avaya Launches Customer Interaction Express

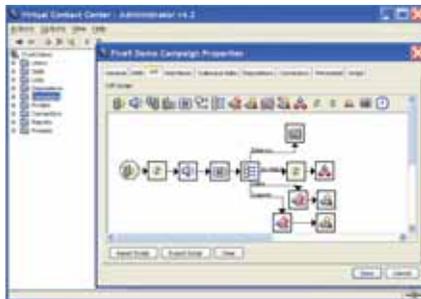
[Avaya Inc.](#) ([quote](#) - [news](#) - [alert](#)) recently announced the launch for its customers in the Middle East and North Africa region of Customer Interaction Express, a new, full-featured contact center software suite built expressly for midmarket enterprises. Avaya Customer Interaction Express 1.0 was designed to handle all incoming and outgoing customer transactions across multiple media channels, including phone, e-mail, fax and SMS. The solution also offers call routing and reporting capabilities, enabling companies from 100 to 1,000 employees with contact centers from 10 to 150 agents to deliver consistent service to customers from multiple locations.

<http://www.avaya.com>

### Five9 Intros On-Demand Call Center Packages For Small Businesses

On-demand call center solutions provider [Five9](#) ([news](#) - [alert](#)) has introduced two call center packages designed for small businesses. The Five9 Call Center Suite Small Business Edition, which includes the Small Business Edition and Five9 Inbound Call Center, are aimed at

providing small businesses with an affordable way to boost both sales and customer service levels. The solutions were designed to provide comprehensive inbound and/or outbound call center functionality for small teams that spend most of their time on the phone. The packages also include four concurrent seat licenses, 12 phone



lines, supervisor and administrator applications as well as additional customer support and training features for no additional cost.

<http://www.five9.com>

### Intervoice Launches Next-Generation Voice Portals

[Intervoice](#) ([news](#) - [alert](#)) recently unveiled its new next-generation voice portal products designed to enable complex, simultaneous voice and data interactions, enriching and refining a caller's experience regardless of the device they are using to access the system. New features were added to enable enterprises to

give their customers the highest levels of personalized self-service whether they are using a telephone, a computer or a mobile phone.



<http://www.intervoice.com>

### NICE Offers Solution For IP Video Security

[NICE Systems](#) ([news](#) - [alert](#)) recently announced the release of NiceVision Net, a solution for IP video security. NICE also announced NiceVision ControlCenter, an enhancement to its video management applications suite, including new capabilities for advanced control room management and a network-based digital video matrix. The solution offers flexibility to be tailored to fit any customer need, whether as an open solution to be fully integrated with a variety of third-party edge devices and security management applications, or as a complete offering. NiceVision ControlCenter provides real-time event management, enhanced investigation tools, and is scalable to support large multi-user, multi-site environments.

<http://www.nice.com>



By Tracey E. Schelmetic, Editorial Director, Customer Inter@ction Solutions

### TeleDirect Merges With Wygant

TeleDirect International, ([news - alert](#)) a provider of customer interaction management solutions, recently announced its merger with Wygant, ([news - alert](#)) a provider of evaluation, training, recording and analytic tools designed to optimize call center performance. The merger will allow the companies to offer customers a more comprehensive, integrated platform of sales, customer interaction and workforce development applications. The companies will operate under the TeleDirect International name. With this merger, TeleDirect adds significant capability to its Liberation platform, a b-to-c CRM platform that helps companies accelerate revenues and improve the efficiency of their revenue producers.

<http://www.tdirect.com> and [www.wygant.com](http://www.wygant.com)

### Jacada Hires VP Of Product Management

Jacada Ltd., ([news - alert](#)) a provider of unified desktop and process optimization solutions for customer service operations, has announced the appointment of Steve Herlocher as vice president of product management. Herlocher brings to Jacada more than 16 years of product management, operations and development experience in the contact center industry. Most recently, he served as VP of product management for Aspect Software, where he led the company's product management efforts and was a core member of the company's product strategy team.

<http://www.jacada.com>

### Spectrum Releases Real-Time Visual Data Management Software

Spectrum Corporation, ([news - alert](#)) a provider of analytics and reporting solutions, recently announced the release of



neXorce software, the company's newest real-time data collection and visual display solution that delivers the data needed to monitor performance, improve customer service and increase productivity. The software's engine collects real-time data items from any open data source and performs calculations, formatting and combining statistics into useful key performance indicators or business metrics with user-friendly tools and functions. Users can then deliver data in a dynamic way to desktop dashboards, plasma screens, wallboards, XML Web pages, e-mail and mobile devices.

<http://www.specorp.com>

An exceptional labor force? **Bogota's got it.**



Bogota has one of the most qualified, competitive and abundant labor forces in Latin America.

**Let us lend you a hand.**

Visit us at [www.investinbogota.org](http://www.investinbogota.org)  
Email: [callcenters@investinbogota.org](mailto:callcenters@investinbogota.org)  
Tel.: +57 (313) 433 8411/28



**BOGOTA'S GOT IT.**

### Clarabridge CMP Platform Eases Text Mining In Call Centers

Clarabridge, ([news](#) - [alert](#)) a text-mining software company, has



announced the availability of Release 2.2 of its Content Mining Platform (CMP). Built specifically to enable commercial text mining, the new version integrates entity extraction, fact extraction, categorization, sentiment extraction and other natural language processing capabilities in a single solution. Users can quickly and easily convert internal and external source data into useful business intelligence without the need for special coding. Release 2.2 also includes robust, function-specific reports that organize customer feedback, measure customer sentiment and facilitate root-causes analysis.

<http://www.clarabridge.com>

### AltiGen Hires New President And COO

AltiGen Communications, Inc., ([news](#) - [alert](#)) a provider of voice over IP business phone systems and call center solutions, has announced that it has appointed Jeremiah Fleming as president and chief operating officer. Fleming's primary initiatives will be to ensure the acceleration of growth in AltiGen's business by focusing on the company's new strategies, product offerings, marketing and business operations. Gilbert Hu will continue to lead AltiGen as Chairman and CEO.

<http://www.altigen.com>

### Altitude Offering New Contact Center Solution

Altitude Software ([news](#) - [alert](#)) has unveiled the Altitude uCI 7.5 software suite that includes Altitude IP Contact Center functionality. A native IP solution, the Altitude IP



Contact Center streamlines IT investments and optimizes human resources to provide businesses with a SIP-based multimedia contact center solution. The suite offers unified desktops, routing, reporting, dialing, voice portal,

management and open integration via Web services and/or single language and editor to all media interactions simultaneously and in real-time on IP-PBXs and/or traditional PBXs.

<http://www.altitude.com>



## The Right Choice for Call Recording

- Comprehensive Pre- & Post-Sales Support
- Engineered With End User Needs In Mind
- Exceptional Quality & Reliability



To start profiting from OAISYS solutions today, contact us at:

**888-496-9040**  
**www.oaisys.com**



# CRM SaaS: Paying More For Uptime

According to a recent customer survey conducted by managed Web hosting provider Rackspace Managed Hosting, nearly 36 percent of responding SaaS (software as a service) customers do not know the uptime guarantees provided in the SaaS vendor service level agreement (SLA) although, the survey found, “security, application uptime and network connectivity are among their top technical concerns.”

ised.”

The Rackspace’s SaaS survey found that customers value application uptime differently for each category of SaaS application. E-mail and business productivity applications such as spreadsheets and document creation were listed as the most critical applications when it comes to availability, with customer relationship management applications running a close second.

In music to some companies’ ears, SaaS customers value application uptime enough to pay significantly more for increased uptime guarantees. The Rackspace survey found that 30 percent of SaaS customers would pay “at least 25 percent more” for four extra minutes of guaranteed uptime per month, taking them from a 99.99 percent uptime SLA (i.e., approximately four minutes unplanned downtime per month) to a 100 percent uptime SLA (i.e., zero minutes unplanned downtime per month).

Overall, the Rackspace survey revealed that SaaS is making significant traction in the small-to-medium size and enterprise market with 51 percent of respondents using a SaaS application and 72 percent of those users considering additional SaaS applications. Rather than a brief IT trend, 69 percent of respondents believe SaaS is the preferred software delivery method of the future, indicating infrastructure scalability will be top of mind.

As more and more applications become available via the SaaS model,

small to medium-sized businesses will continue to adopt them in an effort to broaden their business capabilities. In March, Gartner, Inc. reported that the worldwide SaaS market reached \$6.3 billion in 2006 and is forecast to grow to \$19.3 billion by year-end 2011.

SaaS is essentially hosted software based on a single set of common code and data definitions that are consumed in a one-to-many model by all contracted customers, at any time, on a pay-for-use basis, or as a subscription based on usage metrics. The SaaS model is popular for CRM applications, call center processes and technologies such as human resources solutions.

Why such success? “The dysfunction of the client/server era is driving alternative approaches to IT development, delivery and management, which SaaS is the most apparent version of,” said Ben Pring, research vice president for Gartner.

SaaS adoption is broadening out from CRM and HR into new areas such as procurement and compliance management, Gartner has found. However, the scale of change involved in moving to a SaaS approach is proving hard for many vendors to manage. “Due to the law of large numbers, traditional IT product models are becoming victims of their own success, while the relative smallness of new approaches facilitates growth much more easily,” said Pring.

*David Sims is a contributing editor for TMCnet.*

The survey also concluded that 49 percent of enterprise SaaS customers do not know where the infrastructure behind their SaaS application lies, whether it is hosted internally with the SaaS provider or through a third-party hosting provider.

John Engates, chief technology officer of [Rackspace](#), ([news - alert](#)) said “SaaS providers need to clearly communicate their hosting and infrastructure details in the service level agreement, drilling down to security promises, uptime guarantees, network connectivity, data backup processes and more. This way, customers are aware of their SaaS provider’s service obligations, and they can rest assured their mission-critical applications such as e-mail or customer relationship management (CRM) software will perform as prom-

# Customer Interaction Solutions' Eighth Annual CRM Excellence Awards, Part One

For the eighth consecutive year, the editors of Customer Interaction Solutions dared readers to prove that their companies have what it takes to win the coveted CRM Excellence Award. Below is Part One of the winners list — the companies that offer the best and the brightest customer relationship management products and services, all to the benefit of their clients. Winners were chosen on hard data: quantifiable results that convinced us, without a doubt, their clients were infinitely better off with these companies' products and services than without.



**Congratulations to the winners!**

EDITOR'S NOTE: Because of the very large volume of award applications we received, the CRM Excellence Award winners will be presented in two parts, to be continued next month in the June 2007 issue of Customer Interaction Solutions. More information about winning companies and their products and services may be found at <http://www.tmcnet.com>.

**Altitude Software**  
Altitude Voice Portal  
<http://www.altitude.com>

**Aplicor, Inc.**  
Aplicor Online CRM  
<http://www.aplicor.com>

**Autonomy etalk**  
Intelligent Contact Center  
<http://www.autonomy.com>

**AvantGo**  
AvantGo  
<http://www.avantgo.com>

**Centive, Inc.**  
Centive Compel  
<http://www.centive.com>

**Citrix Online, LLC**  
Citrix GoToAssist  
<http://www.citrixonline.com>

**The DeGarmo Group, Inc.**  
Fit Index Systems  
<http://www.degarmogroup.com>

**Epicor Software Corp.**  
Epicor Clientele CRM  
<http://www.epicor.com>

**eTelecare Global Solutions**  
eTelecare Global Solutions  
<http://www.etelecare.com>

**IEX Corp.**  
IEX TotalView Workforce Management system  
<http://www.iex.com>

**InfoCision Management Corp.**  
Wireless Customer Retention Through Telesales  
<http://www.infocision.com>

**Maximizer Software**  
Maximizer Enterprise 9.5  
<http://www.maximizer.com>

**NetSuite, Inc.**  
NetSuite 11.0  
<http://www.netsuite.com>

**NextNine**  
NextNine Virtual Support Engineer  
<http://www.nextnine.com>

**Premiere Global Services**  
Dispatch Manager  
<http://www.premiereglobal.com>

**Sage Software**  
SageCRM  
<http://www.sagecrmsolutions.com>

**salesforce.com**  
Salesforce Winter '07  
<http://www.salesforce.com>

**Saratoga Systems**  
Saratoga CRM  
<http://www.saratogasytems.com>

**Soffront Software, Inc.**  
Soffront CRM v8.6  
<http://www.soffront.com>

**SoundBite Communications, Inc.**  
SoundBite 6.0 Automated Voice Messaging Solution  
<http://www.soundbite.com>

**SugarCRM**  
Sugar Processional  
<http://www.sugarcrm.com>

**Tigerpaw Software, Inc.**  
Tigerpaw CRM+  
<http://www.tigerpaw.com>

**Vertical Solutions, Inc.**  
PowerHelp  
<http://www.powerhelpcrm.com>

**Z-Firm**  
OmniRush  
<http://www.zfirm.com>

# Serving the U.S. Hispanic Marketplace

As Hispanic-American consumers become more affluent, they represent a rapidly expanding sector of the business-to-consumer market.

American businesses are starting to realize that if they want to reap sales from this increasingly valuable market segment, they need to offer marketing and customer service in both Spanish and English, in whatever combination the customer prefers. And they need to start doing it now.

Call centers that offer support for Spanish are growing by leaps and bounds. Outsourcing to countries with high quality, Spanish-speaking work-

forces is also on the rise. In terms of U.S. outsourcing, this may put a crimp in the popularity of India as a customer service outsourcing destination, as India

does not generally offer European languages other than English, though it may prove a boon to the Philippines, which, as a former Spanish colony, frequently offers Spanish language support.

South and Central American and the Caribbean are also poised to benefit from the increasing need of Spanish-language support.

Once touted as “the little economy that could,” the Dominican Republic’s decision to bet on the high-tech service sector has begun to pay off. By the close of 2006, the Dominican contact center industry boasted more than 40 centers employing more than 18,000 people, gaining the country a growing reputation as an extremely viable destination for business process outsourcing (BPO).

The blossoming of call centers in the country has indeed attracted industry attention as the Dominican Republic focuses on high-tech services more sharply. According to the Zagada Institute, a business development analytics firm, the Dominican Republic is the leading call center location in the Caribbean and Central America, followed by Jamaica, which employs roughly 10,000 agents throughout 16 centers, Panama with 9,500 agents, Costa Rica with 4,500 and El Salvador with 4,000.

Eddy Martinez, executive director of the Dominican Republic’s Center for Investment and Exports (CEI-DR for its Spanish acronym), expects the number of BPO agents to grow to 30,000 by the end of 2007.

“We are bullish on the BPO industry because we have seen the explosive demand for Spanish-language back-office, telemarketing and customer support services,” said Martinez. “We are now starting to reap the benefits of our investments in training and technology, and our positioning as the Spanish-language partner to countries such as India, who are global BPO industry leaders.”



(Note: India, aware of its lack of European language services, in many cases chooses to partner/sub-contract with other countries for support in the languages Indian agents lack.)

There are several other contributing factors to the Dominican Republic's emergence as a call center/BPO destination. Among them is the country's convenient proximity to the U.S. mainland, which makes it attractive to U.S.-based companies that want their offshore operations to be "nearshore." The Dominican Republic is located less than 850 miles from Miami, or about a two-hour flight. Additionally, the country's cultural affinity with the U.S. makes it easier to find skilled bilingual agents at a time when the labor pool is tight.

This was a key factor for Stream, a global contact center services provider,

when the decision was made to expand its contact center operations in the Dominican Republic.

"A lot of our clients like to jump on a plane and come and see the center and see the people who are handling their business," said Toni Portmann, CEO of Stream.

Additionally, operating costs are much lower than those of other destinations, such as India, Chile, Puerto Rico or Mexico. It's easier to find skilled bilingual agents, at a reasonable rate, as competitive wages in the Dominican Republic can be as much as 70 percent lower than the cost for a bilingual worker in the U.S. According to the Boyd Company, an independent location consulting company, costs to operate call centers in the Dominican Republic are the lowest among Caribbean locations.

While industry experts agree that India and China have led the charge in the development of the BPO industry, a geographical competitive shift has already begun to take shape. A.T. Kearney, an industry standard in rating BPO competitiveness, has already stated that for its 2007 report, it will include 15 new countries, among them the Dominican Republic, Tunisia, Ghana and Uruguay.

According to Martinez, the Dominican Republic has everything in place to capture a larger share of this growing market, which last year raked in approximately US \$6.3 billion for India alone.

"We're prepared for the challenges ahead," said Martinez. "And because of that preparedness, we're ready to take our game to the next level."

**There's one customer contact software company that charges less and delivers more than any other.**

**SAVE 25%**  
(A limited time offer)

**Shouldn't you know who they are?**

ASD Softswitch is a fully integrated software suite that enhances telephone hardware and provides digital recording, IVR, ACD, call monitoring, VOIP, and other advanced features that complement existing enterprise solutions or replace them.



SCS • 2358 Hassell Road, Ste. A • Hoffman Estates, IL 60195 • [www.strategicinc.com](http://www.strategicinc.com) • 1-800-727-4155- toll free • 1-847-843-4134

# Calculating The Return On Investment Of Workforce Management



Vendors know how important proof of return on investment is to the success of a workforce management project — and, ultimately, to the success of the proposal they put on the table and the company’s willingness to make a commitment. This is to the contact center’s advantage. Vendors understand the need to be accountable and demonstrate the long-term value of the company’s products in a way everyone can agree on.

The well understood need to present compelling ROI figures, however, also creates risk that figures may be inflated or circumstances exaggerated in order to gain buy-in on the benefits of a specific solution. That is why the ROI terms should be clearly outlined by the contact center, in accordance with business needs and project expectations. Allowing vendors to establish the entire ROI proposition without any input from the center is a recipe for confusion, particularly when it comes to attempting to compare the merits of different project plans or different vendor solutions.

That said, deciding on the true implications of ROI can be done successfully and in a collaborative manner. The contact center just has to know where to look, what to expect and how to measure.

Before even considering a particular workforce management solution, identify how, where and when improved visibility and accuracy into agent scheduling could benefit the business. Think about how a deeper understanding of agent skill sets could contribute to improving customer service. Also, identify ways changing demands on the contact center, including new channels and

the resulting shift in the mix of contacts, will need to be addressed by more timely and accurate agent scheduling. Once the project team has built this understanding, the group will be able to direct the terms of the ROI discussion with vendors interested in satisfying the organization’s needs.

### When Less Is More

Productivity is a crucial component of workforce management ROI. At its core, the discipline of workforce management focuses on reallocating resources to be more efficient and effective, closing shrinkage gaps, reducing overtime, paring down talk time and so forth. Hard ROI measurements often zero in on these clear-cut advantages. If better workforce management aids in the creation of a schedule that takes 150 hours of overtime per week out of the schedule, and the fully loaded cost of each hour of overtime is \$22, then that solution provides a \$3,300 per week ROI through overtime reduction alone. Similarly, a schedule that consistently takes 70 hours of regularly scheduled time out of a plan can produce savings equivalent to 1.75 full-time employees (FTEs). These calculations are straightforward and meaningful to all of the stakeholders.

Some efficiency gains are more subtle and less easy to see on the floor but are equally important to include in the workforce management ROI calculation. Organizations with ineffective or manual workforce management processes not only produce inefficient schedules, they spend too long crafting them. Reporting specialists or floor supervisors may be investing extra hours poring over spreadsheets and vacation request logs attempting to craft a schedule. By taking them away from the spreadsheet and putting them back on tasks that create real value, companies can realize a greater return on investment than they are already making in these managers and technical specialists.

Keep in mind that return on investment never takes place in a vacuum. New scheduling models that save overtime and/or FTEs return true value to the organization only if they can be executed without adversely affecting customer satisfaction or revenue opportunities. Good workforce management is not simply enabling agents to slam the phone down in lieu of making a potentially profitable upsell or protecting customer value through delivering a completely satisfying



experience to the caller. Good workforce management strategy means creating the right opportunities for the right agent to handle contacts at the right time.

ROI analysis should also include a look at indirect and intangible benefits. The flexibility, transparency and fairness provided by workforce management can play a positive role in agent retention rates. Stability in the agent pool means less time and money spent in hiring and new agent training. It also means more skilled agents who have the time and reach to develop a full understanding of the business and its products. This increased proficiency can also lead to stronger customer experiences, higher satisfaction rates and greater loyalty in the long term. Experienced, knowledgeable agents have a better ability to close calls quickly, accurately and on the first attempt — all characteristics which are appreciated by time-pressed customers.

### ROI: It's Not As Easy As It Looks

When considering a workforce management system investment, avoid always equating ROI with the concept of less. Staffing fewer agents, spending less time

on the telephone and fielding fewer live customer inquiries can represent a net benefit to your overall operations. Many workforce management improvements, however, accompany and support a broader change in contact center strategy. The real, positive impact workforce management capabilities bring is not in “making something less” but rather in keeping the contact center running smoothly and efficiently in a world of changing demands.

Consider a business undergoing a significant overhaul in its self-service capabilities that manages two primary types of customer calls: level one inquiries, the simple transactional exchanges which take an average of 120 seconds to handle; and level two inquiries, the more complex customer support issues requiring advanced agent skills, which take an average of 240 seconds to handle. Self-service is well suited for reducing the number of simple, transactional exchanges that require agent attention. This has a few crucial implications, all of which are within the scope of a workforce management tools to address. But not all of them result in an obvious “less is more” ROI case.

- A reduction in simple calls reaching the agent queue means fewer agents may be required — at least, to staff level one inquiries. Call projections and agent skill profiles can be used by the workforce management application to ensure that level one does not become over-staffed as demand drops.
- The reduction in simple calls, by extension, means that a greater proportion of calls reaching the agent queue will require complex skills to address. Again, workforce management provides payback by ensuring that agents of sufficient skill are in the queue and available.
- However, average talk time in the center may increase, because the shorter level one calls are now being handled by self-service. First-call resolution rates may even decrease as well, because more complex calls tend to require additional contacts. This is not a failure of workforce management or an indication that it has not delivered projected ROI — it is a success of the

overall contact center strategy to drive simple calls to self-service. Workforce management ensures the operation is properly staffed and ready to handle inquiries that reach the contact center, even if the service strategy calls for a greater preponderance of complex, high-touch calls which take longer, on average, to resolve.

Bear in mind that there may be additional costs associated with bundled solutions which require big-bang implementations, wide-ranging replacements of other applications or those that force the organization to change significant aspects of the customer care operation to accommodate them. These systems can also lead to a longer and overall more costly change management process, as people must be retrained to understand changes in everyday operations imposed by the needs of an oversized suite solution. Open systems, which focus on providing top-notch business improvement functionality where and when it's needed, can preserve the unique environment while still delivering the benefits the business expects. It is difficult to put too much emphasis on the importance of being allowed to do business the way the company sees fit rather than being forced into narrow requirements dictated by a system with preconceived notions of workflow and management.

Return on investment is a significant requirement for any project, and quality solution providers will take demands to see transparent and clear ROI projections seriously. By equipping the project team with the right expectations and understanding of how workforce management can directly and indirectly create business benefits, the organization is well positioned to adopt a solution that returns meaningful value in both the short and long term.

*Rick Glew is the Director of Marketing at IEX Corporation (<http://www.iex.com>), a NICE Systems Ltd. (news - alert) company. At IEX, he developed a comprehensive ROI tool designed to align business goals and technology requirements through a collaborative process. Rick Seeley is an IEX solution engineer with more than 15 years of contact center management experience.*

# Achieving Differentiation Through Customer Centricity

Today's customer service network and value chain are widespread, not to mention often siloed and complex. While most customers still opt to do business by phone with a live agent, others prefer the flexibility of e-mail and the always-accessible Web. That said, organizations cannot underestimate the value of the customer impact from their in-person sales and service opportunities. Competition is fierce and customer demands are high. Now, more than ever, optimizing workforce performance — through the selection of the workforce model that best suits your customers - is critical. Increasingly, these dynamics are causing organizations across vertical markets to not only reevaluate their approaches to quality and service levels, but also workforce productivity — leading the most forward-thinking down the path of “customer centricity.”

According to the Harvard Business Review, a “customer centric” company is not about “organizing your company to serve customers. It's letting customers determine how you organize.”

In one sense, this is an obvious observation. The very phrase “customer centricity” implies that the customer resides at the center of your organization, theoretically acting as the touchstone around which all decisions revolve and from which all initiatives emanate. In another very real sense, however, customer centricity is quite difficult to achieve. True customer centricity requires the flexibility to adapt to changing customer needs and dynamics. It requires companies to objectively listen to customer concerns. It requires the commitment to invest in how best to truly capture the “voice of the customer” and convert it into actionable intelligence that can be used not only in brick-and-mortar settings and contact center environments, but throughout the enterprise.

The value of achieving true customer centricity is expressed in a number of ways, the key benefit being to act as a differentiator between you and the com-

petition in a marketplace of increasing product parity and growing customer demands. Today, organizations have the opportunity to increase their customer loyalty, thereby improving the all-important bottom line, simply by evaluating workforce models and determining how to best capture and put the voice of the customer into action.

Let's start by examining how evaluating workforce models with the customer in mind can positively impact customer service levels.

## Workforce Models — Changing With The Times

Many organizations are using or considering a hybrid workforce model, one in which they employ both brick-and-mortar and virtual employees to meet the needs of customers. IP telephony has helped pave the way for this transition by allowing the infrastructure flexibility to route calls seamlessly from centralized to remote agents — all of which remains completely transparent to the consumer. With this infrastructure, supporting processes and the right technologies — along with an enterprise mindset —

blended workforce models can be extremely cost-efficient, enabling companies to better meet customer needs.

This approach, which allows companies to broaden their employee base and manage staff more efficiently and effectively, is being leveraged in both back-office and branch locations around the world. For example, a contact center in a financial institution can easily identify resources/personnel in other areas of the organization with forecasted “down time” during expected spikes in call volume — such as those in the branch office. This can help fill gaps and align the right staff, including highly specialized personnel, to meet specific customer requirements.

The virtual contact center presents another opportunity. With a remote workforce, organizations have the opportunity to attract workers that previously might not have considered them as a potential employer. Examples include stay-at-home mothers and the disabled: groups that may be educated, skilled workers, but require a level of flexibility that many jobs simply cannot accommodate. Such a model can open new doors, making you an attractive employer for a category of previously untapped, skilled workers with specialized scheduling needs. You can fulfill your full-time staffing requirements and strategically augment part-time schedules to meet specific objectives and periods of heavier customer traffic.

We've focused on how organizations can meet the expectations of their customers by adopting full- and flex-time models that are centralized and distributed. But how can these companies extrapolate their customers' preferences in the first place? How can they capture customer feedback? How

can that information be put into action in support of a customer-centric strategy?

**Customer Feedback Reinforces Reality**

Organizations have long paid lip service to the importance of the voice of the customer. Although many have recorded customer interactions for the past 30 years, they have focused primarily on the actions and enablement of their staff, rather than on those of their customers.

Global consultancy Bain & Company asked 362 companies whether they believed they had delivered a “superior experience” to their customers. Eighty percent of the companies said that they had indeed done so. Bain then asked the customers of these companies if they felt they’d received superior service. Only eight percent agreed that they had! This gap between perception and reality demonstrates the pressing need for organizations to adopt practices that will take advantage of the wealth of customer knowledge that is already being captured within their contact centers and other service delivery channels.

Making direct customer feedback actionable is the key to putting your customer base at the forefront of your organization. Your customers have the perspective to provide you with insights that, as the Bain & Company survey shows, individuals within your organization do not have the objectivity to express. When properly applied, these insights will lead to improved business processes, ultimately resulting in a better customer experience.

It is not enough, however, to simply apply customer feedback to your business strategy. All businesses must take customer response into account at some point. The differentiating factor is timing and context. Proactive, customer-centric organizations are always seeking customer input, while reactionary organizations respond to their customers only after it is too late, usually after their brands and reputations are on the line. This difference in strategy can be categorized as a “service recovery model” as opposed to a “complaint resolution model.” The two are worlds apart.

The strategy of service recovery focuses on quickly identifying and resolving problems to the customer’s satisfaction. It means going above and beyond expectations and doing so as soon as possible after the customer has interacted with an agent. This strategy differs vastly from one of complaint resolution, in which organizations build the infrastructure of the contact center, staff it with agents and wait for people to call in with complaints and problems. In this model, agents deal with the same complaints and problems day in and day out without the organization ever taking action to resolve the underlying issues.

So how can your organization achieve service recovery? The traditional approach is usually achieved through the use of an IVR, Web or e-mail survey. However, the key is to gain valuable customer feedback that is specific to their experience or interaction — in context and in real time. By engaging customers immediately after their conversation with an agent through short, dynamic and intelligent surveys, response rates are much higher because the feedback is specific to their circumstances. With surveys that are intelligent, context-based and timely, companies gain greater value as opposed to traditional, static and toxic “one-size-fits-all” surveying methods. Rather than ask customers on the front-end of a call to take a company-created survey, agents and intelligent systems wait until the call is wrapping up. Only then is the survey offered. This allows companies to gain valuable insight into interactions, the context of the call and the voice of the customer based on the reason customers contacted them in the first place.

Once captured, customer feedback can be made easily accessible throughout the organization. The voice of the customer provides far more strategic insight than some traditional measures and can be leveraged along with other contact center technology metrics such as those from quality monitoring, speech analytics, key performance indicators (KPIs) and e-learning to provide a closed-loop system for performance and workforce optimization. In today’s environment, people talk, and even put their experiences in writing using the Internet and blog sites as their vehicles. Why not find out what your customers think first-hand? That can put you in the driver’s seat to make positive changes that have far-reaching impact and competitive differentiation in a crowded market.

*Vance Christensen is managing director of survey solutions for Witness Systems (news - alert) (<http://www.witness.com>), a global provider of workforce optimization software and services.*

Perfection...  
One Piece  
at a time.

IVR Survey/Polls  
Transcriptions  
Notification  
CRM Support  
Modules  
Reporting

Prosodie  
voice

Toll Free: 866-776-7634  
www.ProsodieVoice.com

# The Top 10 Advantages Of Software As A Service For The Call Center

Adoption of the software as a service (SaaS) model is rapidly increasing across the enterprise, but particularly in the call center as companies are discovering the advantages today's hosted solutions offer over premise-based systems. Applications such as IVR, ACD, speech analytics, predictive dialing, workforce management, call recording and CRM can be hosted on a shared platform in a data center and delivered to agents via the IP networks, enabling companies to deploy a full-featured contact center system for a fraction of the cost of licensed software. These new solutions, which have much greater power and flexibility compared to the early hosted or ASP-provided solutions of a few years ago, are now opening a new frontier for customer care.

Industry research shows there is increasing adoption of SaaS solutions in practically all the vertical markets. According to a March report from Gartner, the worldwide SaaS market is expected to grow to \$19.3 billion by the end of 2011, up from \$6.3 billion in 2006. In addition, DMG Consulting predicts that 20 to 30 percent of all new contact center seats will be hosted by the end of 2007.

So how to get your feet wet with SaaS? The first and most important step is to determine whether the SaaS model is the right fit for your company and then carefully select the solution that best meets your overall needs. Let's take a look at the advantages SaaS brings to the call or contact center:

## 1. Lower Upfront Costs

In general, the biggest factor driving adoption of SaaS is lower up-front cost. Companies that adopt the SaaS model save initially by avoiding the need to shell out capital for premise-based equipment and installation services. With most of today's hosted

solutions, all you really need to launch a new center are agents with headsets and broadband-connected PCs — and these agents may be either in a physical call center or in remote locations distributed around the world.

Also, companies that go with a SaaS solution avoid having to pay for the licensing of new software — instead, they simply “lease” the software on a “pay-as-you-go” basis. Not only is this pricing model more economical, it's easier to predict and manage, and affords simplified financial reporting: Rather than paying out chunks of capital for upgrades or replacements of on-premise systems, call centers now have the ability to include the cost of their SaaS service in monthly expense reports as a recurring line item.

“Hosted solutions enable call centers to add new technologies quickly and at a low startup cost,” said Donald Koosis, Chief Training Officer of hosted solutions provider ISC. “In this respect, premises-based hardware and software just can't compete. For

example, in an extreme case, an outsourcer can add a complete suite of call center resources to support a new customer within a matter of days without any additional hardware. This includes support for CRM, workforce management, IVR and ACDs.”

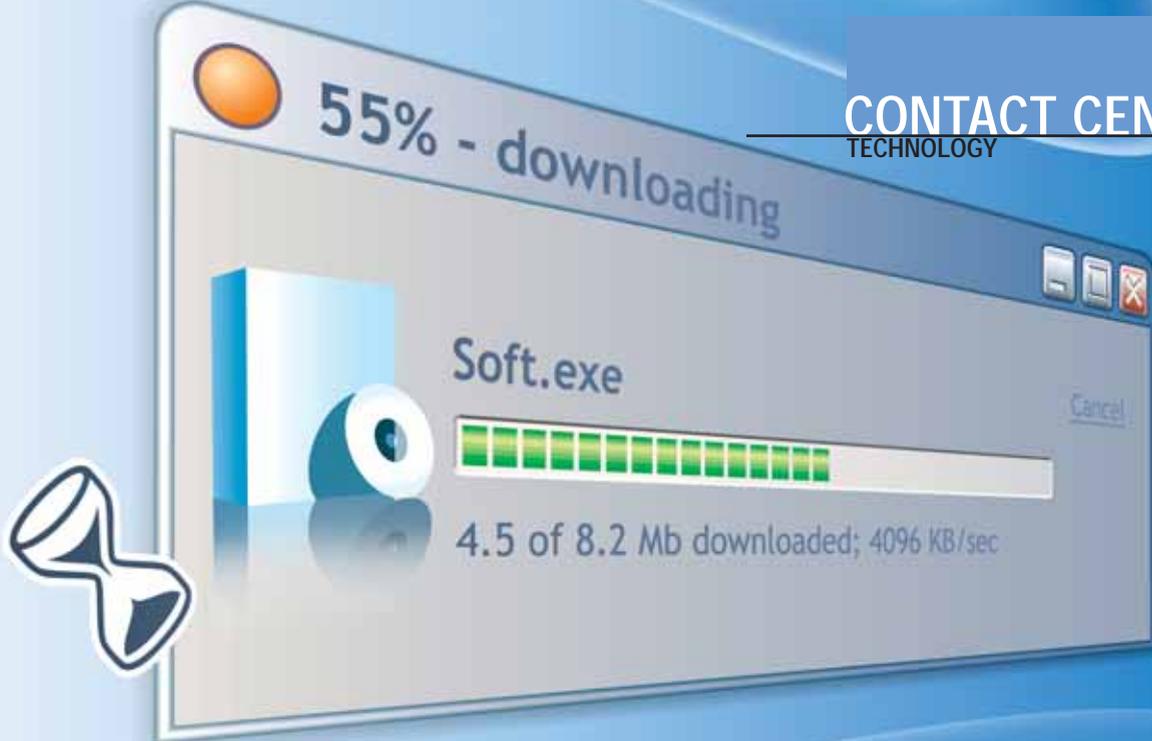
## 2. Reduced Ongoing Costs

SaaS solutions also deliver lower ongoing costs because the hosted provider takes on the maintenance of the system, including software upgrades, equipment replacement and troubleshooting. This reduces the strain on existing IT staff and also lets companies avoid having to hire specialized IT teams. In addition, services can be added or customized quickly via a single, Web-based interface, without adding significantly to the overall cost of the service.

“The call center can use a hosted solution without having to purchase and manage the IT infrastructure required to host a service desk solution themselves,” said Mark Krieger, VP of product development for Numara Software. “Often, the IT department, which would need to help set this up and manage it for the call center, has other priorities, so having the hosting center take care of all operations — including setup, backup, hardware and software configurations — can save the call center enormous time and money.”

## 3. Faster Time To Market

Rapid deployment is another advantage SaaS offers. Setting up a new on-premise system can be costly and time-consuming. One large headache for licensed software is that of integration with existing CRM and other business systems (and furthermore



carrying out that integration without disruption to customer service).

Today's hosted solutions, however, offer fast integration with existing IT systems and support for service-oriented architecture (SOA). Most vendors are now providing pre-integration for legacy CRM and business systems. Plus, support for service-oriented architecture (SOA) helps companies save money because they can keep their existing legacy software and servers, yet they can access their customer data the same way they always have.

Steve Kowarsky, executive VP of CosmoCom, points out that with today's SaaS solutions, a contact center can be set up within minutes: all you need is the PCs and an Internet connection. The software, he said, is delivered "almost like electric service — like a utility. All you need to do is add hot agents."

"If I go to a service provider that has a shared platform that is already sitting there, all they have to do is create a tenant on the platform, which takes like three minutes, and then turn on the agent capacity," said Kowarsky. "Anywhere there's an Internet connection with good performance and an ordinary PC with a browser, you can have an agent. That's the shared platform model — and that is really where you see the faster time to market."

#### 4. Faster Access To New Technologies

The SaaS model also means customers can get faster access to new software and features. Most SaaS providers offer a range of software which customers can combine to make their own custom suites. Customers can quickly

access and "trial" new applications as soon as they become available.

#### 5. Enabling The Virtual Contact Center

SaaS solutions are ideal for facilitating geographically distributed and/or virtual contact centers. Perhaps most compellingly, SaaS enables the increasingly popular home agent model. Additionally, SaaS enables companies with multiple contact centers to tailor or customize the solution for each individual center's needs. The SaaS model is also an enabler of what's known as the "informal contact center," which allows companies to extend the contact center out to other knowledge workers.

#### 6. Improved Agent Efficiency

Today's SaaS solutions bring improved efficiency through more intelligent routing of customer contacts. Contacts can be distributed intelligently among all agents at all locations, leading to improved agent performance. This has obvious benefits for multimedia contact centers that handle a range of IP-based channels, such as VoIP, video-over-IP, IVR, Web chat, text messaging and e-mail. If an agent's phone queue goes quiet, that agent can switch to answering e-mail or Web chats in other queues, instead of wasting time waiting for the phone to ring.

#### 7. Scalability

SaaS solutions enable organizations to scale rapidly to meet sudden spikes in call volume. SaaS provider Angel.com provides an example of a special call center rapidly set up for the purpose of handling additional call volume due to the product recall of tainted pet food. "The company was able to sign up for our hosted service and, within minutes, they were

up and running," said Angel.com CEO Mike Zirngibl, adding that his company was able to come up with a customized solution in less than an hour. "They had all the agent capacity they needed. They turned the application on at 8 a.m. and immediately received more than 1,000 calls. These are the kinds of things you could never do with an on-premise deployment."

#### 8. Better Analytics And Reporting

Most SaaS solutions deliver best-of-breed call recording, speech analytics and reporting capabilities, which can help a company gain detailed insight into customer habits and agent performance and then package those data into useful reports. These solutions give call centers a way to measure performance and customer satisfaction, in some cases via today's advanced speech analytics solutions which can search through thousands of hours of stored call data very quickly.

#### 9. Better Control Over Business Rules

SaaS solutions offer the ability to apply business rules across the whole contact center so agents can log onto the system only when they're scheduled to; can access only the applications and network resources they need to see; or can contact others within the company based only on their "presence" or availability. Contacts can be routed to each agent based on pre-defined rules based on which types of contacts or customers the agent is best suited to handle. Agents can be instantly delivered custom scripts during a call, helping them to calm an irate customer or upsell and cross-sell at specific junctures pre-determined by management.

**10. Improved Customer/Agent Satisfaction**

All of the above advantages combine to create a radically improved customer and agent experience. By “virtualizing” the contact center and by unifying all call center functions into one cohesive whole, agent performance is improved and customer satisfaction is increased. Today’s SaaS systems can identify customers based on their historical data and thus streamline the interaction. A common complaint many customers have today is the need to re-enter their account information via the IVR or repeat it to the live agent. With today’s SaaS solutions, the customer’s information arrives on the agent’s desktop along with the call, enabling the agent to provide more tailored service, helping the caller to feel like more than just another call in the queue and helping agents to feel they are doing their jobs effectively, which improves agent job satisfaction and retention.

So where are SaaS solutions for the call center headed from here? Most believe we will see increased adoption of these solutions over the decade; however, how much market penetration they will gain is still open to debate. Those already operating in the SaaS realm see endless possibilities for the model.

“We believe the future of all business software is on-demand, and the growing roster of our customers and users believe in that vision,” said Kendall Collins, senior vice president of product marketing for Salesforce.com. “IDC recently estimated on-demand CRM market growth at 31 percent CAGR from 2004 to 2010. McKinsey found that adoption of SaaS among large enterprise grew 61 percent in 2006. The on-premise, client-server applications of the 90s have let call centers down, because they failed to

deliver on their promise of increased productivity and customer satisfaction.”

The industry is certainly looking to the

software-as-a-service model as a promise. Early examples of its accomplishments and potential point to the fact that it’s a promise that just might be kept.

**The following companies contributed to this article:**

- |   |   |
|---|---|
| Angel.com<br><a href="http://www.angel.com">http://www.angel.com</a>  | ISC<br><a href="http://www.isc.com">http://www.isc.com</a>                          |
| CosmoCom<br><a href="http://www.cosmoc.com">http://www.cosmoc.com</a> | Numara Software<br><a href="http://www.numara.com">http://www.numara.com</a>        |
| Five9<br><a href="http://www.five9.com">http://www.five9.com</a>      | Salesforce.com<br><a href="http://www.salesforce.com">http://www.salesforce.com</a> |

**NOW AVAILABLE!**

**Strengthen the Value of Your Business with Corporate Intelligence**



**INTRODUCING NEXORCE.** Real-time reporting and analytics is taken to a new level with a powerful data collection and delivery system. Now you can deliver more data from more sources with email, desktop alerts and messages, wallboard statistics or plasma screen performance updates—worldwide. Be empowered with real-time data... *Call Today!*

**SPECTRUM CORPORATION** 713-944-6200 • [specorp.com](http://specorp.com)  
©Copyright 2007 Spectrum Corporation. M093CIS0207

Collocated with INTERNET TELEPHONY Conference & EXPO West

TMC

# Call Center 2.0™

## The Leading Technology Event

for Call Center & CRM

## Decision Makers

SEPTEMBER 10-12, 2007 • LA CONVENTION CENTER, LOS ANGELES, CALIFORNIA



Come Find Solutions To Make Your Call Center More Efficient and Profitable

- VoIP / IP Call Centers
- Deploying Global IP Solutions
- IP-Based Home Agent Solutions
- Speech Technologies
- Call Recording Technologies
- CRM
- Customer Care Solutions
- Teleservices Outsourcing
- Advanced Workforce Optimization

**WWW.CALLCENTER20.COM**

To sponsor or exhibit please contact Dave Rodriguez at 203-852-6800 ext. 146 or drodriguez@tmcnet.com

# Five Things To Know About IP Call Recording For The Contact Center

While watching some escapist sci-fi television recently, I wandered onto a show with a plot that featured werewolves. The main characters knew the victims of a recent spate of killings were werewolves because the post-mortems showed the individuals had been injected with silver nitrate which, as everybody who has been exposed to a lifetime of pop culture knows, kills werewolves. This point didn't need to be explained to the viewing audience, but the concept of silver nitrate did. "It's a chemical that was used in old-style photography," explained a main character.

Of course, thought I, the average viewer of this program is young enough to never really have known that photos don't show up digitally and immediately on the camera screen just after they are snapped. It occurred to me that with the exception of a few hobbyist photographers who still use film and manual photographic developing processes, the only things today's photography have in common with that of yesteryear are the name, "photography," and the end results: pictures of your friends, relatives and the places you visited on your last vacation.

It also occurred to me that today, call recording in the call center has essentially gone the same way. It's still referred to as call logging or recording, and the end result — being able to listen to and store audio records of your employees' phone calls — is still the same. It's the process in the middle that is almost entirely altered.

Increasingly, old-style calling recording, or logging and monitoring, is being replaced by IP call recording, a process which refers specifically to recording

VoIP phone calls generated through an IP-PBX or hosted VoIP service provider. Traditional call recording is done by "tapping" the audio from either the PSTN trunks from the central office, or by tapping the phone extensions directly. IP call recording differs from traditional call recording in that it captures voice and data packets from a span (or mirroring) port versus tapping audio from digital or analog telephone line. It is software-based and is often less costly than traditional recording since it requires no phone line taps and fewer servers.

It also offers a host of benefits that traditional recording methodologies could only dream about.

IP call recording is ideal for organizations with multiple remote or satellite locations, branch offices and/or employees working from home (home agents, remote workers) due to its centralized recording and system administration capabilities. The employees being recorded need not be in the same contact center or part of the same switch (PBX or ACD) environment. IP recording supports a distributed and/or global envi-

ronment; achieving the same results through traditional recording is both difficult and costly — each location would have to purchase duplicate recording equipment.

## Support Of A Distributed Call Center Environment

The goal of many call centers today is to achieve a sort of "uncentered" call center that can be altered and configured to meet a business' precise cyclical requirements. This helps save money and allows organizations to scale up and down on their staffing requirements to meet the precise needs of their business ebb and flow. Overstaffing is costly and wasteful, and understaffing can annoy customers, burn out agents and lose sales.

Said Greg Sherry, Director of Marketing for Witness Systems, "With IP, the definition of a 'call center' and the count of how many agents are 'in the center' can be a lot broader than in the traditional sense. In the IP-enabled contact center, where agents or associates typically take orders, resolve issues and serve customers, calls can be routed seamlessly and inexpensively to agents working in a separate facility or to their counterparts in satellite locations, or even to those working at home. The technology is transparent to the caller and provides a high degree of flexibility to the business. A call center that appears to have only 20 or 30 agents can actually be a much larger support organization since IP can seamlessly connect different parts of the organization in support of customers."

### The Costs

As we all know, the mantra of today's call center is to do more with less. The goal is to adopt solutions with fast ROI that accomplish the seemingly impossible feat of lowering costs while raising efficiencies. IP-based solutions have allowed call centers to do just that.

Said Witness' Sherry, "IP recording costs are often lower since control of telephony applications is managed by software running on PC servers, rather than on a dedicated telephony switch. For multi-site enterprises with separate voice and data networks, IP provides a means of integrating the networks, reducing costs and achieving better utilization from the shared infrastructure. It's also much easier to integrate other contact center software with VoIP applications, due to less hardware being involved and less dependency on CTI and other applications."

Sid Rao, CTO of [CTI Group](#), ([news - alert](#)) was very precise with estimates of cost savings. "Traditional recording can cost almost \$20,000 up front, not to mention all the money you'll have to spend to maintain and update the equipment. With hosted IP call recording, the customer may pay in the double digits per month per agent. This is a big benefit to many service providers, as they don't have to come up with a lot of money all at once."

IP-delivered solutions such as call

recording become even more attractive as SMBs (small to medium-sized businesses) begin to scramble for market share. These smaller companies may have the desire, the will and the know-how to gain market share; all they lack is the large amount of up-front capital often need to buy premise-based solutions.

Commented Kristyn Emenecker, Product Marketing Manager with Verint Systems, "With IP recording, there are typically some upfront hardware savings when compared to traditional recording. Additionally, vendors often offer maintenance agreements that include software upgrades, which essentially means that you never have to buy a recording system again. So we're talking about some strong potential total cost of ownership savings with IP."

### The Flexibility

Another bonus of IP call recording is the unexpected side benefits. In the old days, many companies recorded only because they had to, either for legal reasons or because it was the best way to train new agents. They were unable to listen to and utilize everything they recorded; manual playback and cumbersome storage, not to mention a complete lack of any kind of automated search function, meant that holding onto all that recorded material was often a bigger burden than it was a benefit.

Andy Mercker, Director of Marketing for [Telrex](#), ([news - alert](#)) said, "IP call recording is more than just call recording.

Today, the concept of IP recording and monitoring has expanded beyond simply making voice recordings to include capturing the entire interaction (meaning computer recording and monitoring in addition to the voice), and using the recordings for call center agent evaluation and employee training, as well as linking these recordings to business applications, such as CRM."

Said [Witness Systems' \(news - alert\)](#) Greg Sherry, "IP makes it easy and cost-effective to manage line changes when employees relocate, or to add and remove remote users. It's easily scalable from a single phone upwards (i.e., for home agents) in increments of one. IP also allows smaller organizations to utilize application functionality previously available only to larger organizations with broader budgets. Smaller organizations can also appear to be much larger than they actually are and help drive revenue and growth, especially since IP provides the ability to create a widely distributed support staff that has the appearance of a larger enterprise."

In an era when interest is rising daily in deploying home agents, the proliferation of IP contact center solutions has been extremely timely. Said Verint's Emenecker, "Home agent programs allow our customers to select from a large pool of potential skilled agents without geographic boundaries, reduce overhead costs and facilitate flexible scheduling, among other benefits.

Additionally, IP recording and centralized QM and coaching enable the same level of quality control and brand protection as with traditional agents in brick-and-mortar facilities.”

## The Administration

Another problem with old-style recording was the difficulty of administration. Any kind of reconfiguration for new employees, new locations or new legal restrictions or mandates was a challenge and required a large IT staff to accomplish. Additionally, getting any real use out of the information required the listener (or call center supervisor or company executive) to be on the physical call center premises.

Said Sid Rao of CTI Group, “CTI Group uses a Web-based setup so the authorized personnel can access and monitor the calls in real time no matter how far away they are from the call center. With traditional call recording, the listener has to be at the equipment’s site to physically search the hardware.”

Between the cost, complexity and administration of traditional call recording, a company really had to have a

strong need for it. Banks and other financial institutions had to record to remain compliant with federal and state laws. The “fringe benefits” of recording — training, linking the recordings to CRM records to take proactive actions to improve customer service, tracking customer and call center trends, spotting troublesome calls before they escalate — came at too high a price for all but the largest and most security-minded of companies.

Telrex’s Mercker said, “Historically, recording and monitoring has represented a level of expense and complexity such that it has required a major business need to justify the investment of time, money and effort to implement and manage on an on-going basis. Now with IP telephony, IP recording and monitoring, done right, becomes an application on the network that leverages the IP telephony (or unified communications) system.”

Said Patrick Botz, Global Director of Marketing for VPI, “IP call recording mode allows for channel sharing which can greatly reduce the number of dedicated recording channels required to provide

full-time and/or record-on-demand functionality. IP call recording does not require modifying wiring or PBX programming to record different telephones — simply adjust the software. The flexibility of an IP recording system is greatly enhanced by not having this physical constraint of installing physical wiring to each telephone to capture audio.”

## The Security

As the call center industry becomes increasingly concerned about customer data security (as well it should; it seems not a week passes with news of a major breach of customer information), some executives look nervously at IP technologies, concerned their valuable customer information will wind up liberated by criminals. For companies in the financial services, insurance and health-care sectors, it’s more than just bad press they need to worry about. Federal and state mandates often put safeguards in place with which these types of verticals must comply or pay a heavy price.

So how do call centers maintain the security of their recorded call data when it “travels” over networks? “Security of

## What Can I Do With IP Call Recording That I Cannot Do With Traditional Call Recording? Telrex Says: Quite A Bit

- Quickly search on thousands of hours of recordings made across multiple locations to find the call or calls for a specific agent or customer.
- Link recordings or specific clips with agent evaluation score sheets for a permanent record of employee training progress and performance improvements.
- Create integrated files that can be accessed later (even years later).
- One-click verification that a call recording has not been tampered with or altered for audit-trail integrity and “chain of evidence” requirements.
- Easily link recordings to business applications.
- Easily forward recordings via e-mail.
- Provide granular access levels to employees, supervisors and administrators for initiating recordings, monitoring call/computer interactions, or retrieving stored recordings.
- Easily integrate IP recording and monitoring features with third-party applications.
- Easily and cost-effectively scale up. Done right, IP simply requires additional software licenses.
- Easily implement moves/adds/changes. TDM-based recording requires line taps, making MACs in the TDM environment expensive, complex and time-consuming. IP simply requires software licenses and point-and-click configuration.
- Leverage the investment in IP telephony.
- Allow management of the entire system from anywhere on the network.
- Easily record and monitor, and access recordings, across multiple locations anywhere in the world.
- Achieve cost-effective failover and redundancy. IP recording and monitoring simply requires another server. TDM requires duplicate hardware, duplicate line taps, etc.

the recorded call data is maintained just as it is with 'traditional' call recording methods: through user permissions and appropriate network security procedures," said Verint's Kristyn Emenecker.

CTI Group's Sid Rao said, "Security is maintained by the usual VoIP security mechanisms, which make sure that the calls are not intercepted by unauthorized personnel. The calls are also encrypted, which means they cannot be accessed by a third party. CTI Group also only processes the conversations that have been authorized for recording — not all customer conversations have to be recorded, as the enterprise can pick and choose. This is due to CTI Group's patent-pending method for intercepting phone conversations. CTI Group also implements the request for a PIN number to extract or listen to the recordings

on the Web."

VPI's Patrick Botz explained, "VPI's IP call recording solution has the ability to process only voice packets up front, so organizations do not have to worry about any confidential IP data packets being transferred to the call recording application. VPI's IP call recording system leverages open architecture and can sit securely behind your firewall and work in harmony with an organization's network operations."

#### The Silver Bullet?

Doing more with less is a seemingly impossible order. Had this mantra become popular before the advent of IP-based call center solutions, the answer might have been threats of corporal punishment to call center agents, setting the clocks in the call center to move more slowly than usual, squeezing 10-hour work days out of personnel only slated to work eight hours, or

inventing time-warp technology to enable call centers to travel backwards in time to set schedules to match future demand.

Luckily for today's businesses both large and small (not to mention for their employees), technology such as IP call recording may allow them to make more with less, and still have some benefits to spare.

#### The following companies contributed to this article:

CTI Group  
<http://www.ctigroup.com>

Telrex  
<http://www.telrex.com>

Verint Systems  
<http://www.verint.com>

VPI  
<http://www.vpi-corp.com>

Witness Systems  
<http://www.witness.com>

# I am cat.



I am building revenue with each contact.

I am growing my company. I use Amcat contact center software to decrease costs and increase revenues. Amcat gives my business everything it needs in one easy-to-use unified package: inbound, outbound, IVR, multi-channel, management and reporting.

I Amcat. With Amcat's reliable, award-winning solution, I have the flexibility and scalability to grow my business beyond my dreams. With Amcat, smart contact means smart business.

Learn more: 800-598-7920 or [www.amcat.com/iamcat](http://www.amcat.com/iamcat).

**amcat**<sup>™</sup>  
CUSTOMER INTERACTION SOLUTIONS

# Speech Analytics: The Fastest-Growing Application In Contact Center History

Speech analytics have become an important tool in the contact center in a short amount of time. When properly implemented and monitored, such solutions can drive better customer satisfaction and productivity in the center, thus facilitating an increase in agent satisfaction and boosting the overall performance of the contact center. Speech analytics, in fact, have demonstrated an unprecedented ability to mine invaluable information from contact center transactions of all kinds. The data derived from speech analytics can positively affect almost all aspects of the contact center: customer loyalty and retention, cross-selling and upselling, agent management and the reduction of turnover, customer relationship management, call routing, compliance and, in the end, that shining goal of every call center: first-call resolution.

A new report has analyzed this growing market and outlined why speech analytics have rapidly developed into the fastest-growing application in the history of contact centers. The 2007 Speech Analytics Market Report by DMG Consulting is positioned as the definitive guide to this emerging market segment. The report provides detailed information about the market, vendors, competitive landscape, technology products, functionality accuracy, ROI, pricing, market share, projections and implementation best practices.

First introduced into the contact center in 2004, speech analytics is still considered an emerging application. Donna Fluss, president of DMG Consulting, noted in a statement, "Within five to eight years, speech analytics will become a 'must have' for enterprises as it is the only solution that gives them insights into customer needs and wants in real-time and near real-time."

Contact centers implement speech analytics solutions to analyze customer-agent conversations with the goal of providing benefit to the entire enterprise. The DMG report examines the technical and business opportunities and challenges involved in implementing these applications and also provides best practices and guidance for making these applications work for the enterprise. The Report also explains how speech analytics leverages insights contained in unstructured customer conversations to improve profitability, reduce costs, enhance the customer experience and reduce corporate liability. These "unstructured data" make up a lot of the information gathered on a daily basis by call center interactions; until now, however, the call center was unable to do anything with this potentially valuable information.

The Report describes the specific uses, benefit and ROI of speech analytics for various operating departments within enterprises. Eight case studies of highly successful speech analytics implementation in leading verticals are profiled in the study.



“Enterprises are rapidly learning how to use the output from speech analytics to benefit many operating areas including sales, marketing, R&D, compliance, risk management, collections, fraud, back-office operations and, of course, the contact center. The great news is that the benefits are real when users invest the time and resources,” added Fluss.

**The Report includes:**

- A detailed description of the compelling benefits and ROI that speech analytics applications present to the contact center, customers and the enterprise;
- An explanation of how speech analytics structures customer conversations and the technology that enhances accuracy;
- A review of current and projected speech analytics uses in the contact center,

**The data derived from speech analytics can positively affect almost all aspects of the contact center: customer loyalty and retention, cross-selling and upselling, agent management, CRM, call routing, compliance and that shining goal of every call center: first-call resolution.**

- ter, sales, marketing, operations and throughout the enterprise;
- An analysis of the vendor landscape

- and vendor directory;
- Detailed company reports to assess vendor viability, ability to execute, vision, strategy, technology, product functionality and future product plans;
- Pricing for premise-based, hosted and managed service offerings; and
- Data on market share, activity and five-year projections.

Speech analytics will continue to grow as an important part of the contact center environment. With this growth, the industry should also expect to see future innovations that will continue to improve on product offerings and further applications throughout the enterprise.

Visit <http://www.tmcnet.com/577.1> for more in-depth information about the Report.



## Focusing on the Customer: Quality Assurance

Quality Assurance is mission critical for all organizations, they depend on Cacti to focus on the customer.

Every day our solutions allow our customers to mitigate risk, measure performance and customer satisfaction. This enables our customers to make smarter decisions while reducing cost and increasing revenue. Our goal is the success of your business, and we can make it happen by focusing on quality assurance. Just ask our customers, they are all leaders in their industry. Cacti is essential to your business.... To find out more visit today at [www.cacticom.com](http://www.cacticom.com)

Measuring *Performance* Has never been easier

Call for a Demo Today 866.34.CACTI



VOIP Recording  
Record Remote Agents  
Centralize Recording

Voice and Screen Recording  
Performance E-Learning  
Analytical Reporting

Online QA Auditing  
Automated Customer Survey  
WordScan Speech Analytics

[www.cacticom.com](http://www.cacticom.com)

TRADE IN SYSTEM AND RECEIVE UP TO 20% DISCOUNT | Ends April 2, 2007



By Tracey E. Schelmetic  
Editorial Director, Customer Inter@ction Solutions

# Data And I.D. Theft: Killing E-Commerce Dead

Eastern supermarket grocery chain Stop & Shop has been dealing with a big headache as of late - the theft of an undetermined amount of credit and debit card numbers. The “entrepreneurs” removed the legitimate point-of-sale keypads and installed fake keypads in the physical stores with the express goal of collecting numbers and PIN info. My mother e-mailed me in a tizzy and asked, “What’s going on with all this credit card theft? Why is this happening?”

I responded, “Because the criminals are smarter than the companies.”

This is not a traditional case. It won’t stop people from buying groceries, it’ll just make a few people think twice before using credit and debit cards to pay for groceries. Bad news for the financial services companies, not for grocery stores.

Shortly after I had that e-mail exchange, clothing retailer TJ Maxx’s parent company revealed the full extent of the damage of a breach they announced several months ago: over 45 million credit card numbers compromised. The card information was accessed and stolen from transactions beginning in January 2003 and ending in November 2003, said TJX said in its filing with the SEC. The breach, unfortunately, was not actually discovered until January 2007. Oops. Many of the credit card numbers were encrypted. That’s good news, right? No, actually, because the hackers made off with the company’s encryption codes, as well. Oops again.

Granted, TJ Maxx’s breach exposed card numbers that were used during in-store visits, as the company does not sell clothing off its Web site. But shoppers at a physical store have the option to pay with cash. E-commerce shoppers, on the other hand, do not.

I realize it’s easy to say that this kind of thing must stop when you’re not the one charged with finding the very complex and thus-far elusive solution, but I’m going to say it anyway: this kind of thing must stop. If it doesn’t, it will kill e-commerce. Not put a dent in it, not require e-commerce organizations to come up with perkier ad campaigns to win back business, but kill it stone dead. When customers start to feel that using credit and debit card numbers online offers the same odds of making them victims of identity theft as the chance that it will rain on a Thursday in April, the retail industry, particularly its online component, is in trouble.

How much trouble? Let’s look at some numbers.

- Online retail spending grew from \$81 billion in 2005 to \$95 billion in 2006, and is predicted to reach \$144 billion in 2010 (Jupiter Research). Forrester Research plots the 2006 number at about \$138 billion, not including travel.

- \$9.6 billion worth of apparel was sold online in the U.S. in 2006 (Forrester Research).
- Teenagers alone spent \$3 billion online in 2006 (Jupiter Research).
- Total online retail sales for “Black Friday” 2006 (the day after Thanksgiving) were \$8.96 billion.
- The aggregate sales figures for cosmetics and fragrances bought online in 2006 was \$800 million, up 38 percent from 2005 (Forrester Research).

Here’s a final statistic: According to Gartner, approximately \$913 million in e-commerce sales was lost in 2006 because of security concerns among online shoppers. Do you want to see that number multiply itself many times over? A few more high-profile instances like that which occurred with TJ Maxx will do it. According to the same Gartner study, nearly nine million Americans have stopped online banking altogether, while another estimated 23.7 million consumers will never start online banking because of security concerns.

Sure, you might say, so the e-commerce model collapses, people will just return to shopping in stores. Maybe. For some things, like consumer electronics, this will certainly be the case. But there are a lot of people who buy less hardware-oriented items on sheer impulse. Ever browse eBay because you were bored and find something cool that you bought on the spot without thinking too hard about it? You and several other million people. Ever buy books online that you might never have found in a retailer’s shop? How about paid content like ring tones, premium news or entertainment? Online stock trading? Online community gaming, such as World of Warcraft, which now boasts some eight and a half million players? Playing poker for money online? How about paid online adult content? Of course, nobody knows anybody who buys it...which is why it’s a multibillion-dollar industry in the U.S. alone.

Let’s talk about automatic online bill payment. Companies the world over have been able to radically reduce the amount of back-office effort they need to take on sorting through paper checks and hiring armies of people to process payments manually. Paper billing is becoming as quaint as writing letters by hand and sending them through the postal mail. But it’s back to the checkbook and the stamps we all go if solutions are not found to online I.D. theft.

Not to mention, back to the mall, the parking lots, the big box stores, the strip malls, the travel agent’s office, the clothing dressing rooms, the crowds, the bookstores, the music stores (when’s the last time you bought a CD from a music store??) and the insurance agent’s office.

It gives me a headache just thinking about it.

# THE INTEGRATED MARKETPLACE

## DIALING EQUIPMENT

**REFURBISHED**

**PREDICTIVE DIALER**

- INBOUND
- OUTBOUND
- EASY TO USE
- FTC COMPLIANT
- VOIP TECHNOLOGY
- ACD/IVR
- EXCELLENT SUPPORT
- REAL-TIME DISPLAYS
- REAL-TIME REPORTING
- CONFERENCING



**1.888.926.1131**  
WWW.DATATEL-INFO.COM

LOWER COST!

**Predictive Dialer Owners, Is your Long Distance carrier selling you short?**

(\$ .01 per call) minimum

**Call us to see how our 6 decimal billing, (.001XXX per call) minimum**

**Together with our low rates, low loop prices, and multi-carrier diversity can save you 80% on your predictive dialer calls!**



**PARALLEL TECHNOLOGIES**  
Broadwing • Global Crossing • Paetec • Qwest • XO

**800-846-3978 Ext 253**  
**LD@ptcom.com**

## TELESERVICES AGENCIES — OUTSOURCING

**InfoCision**  
THE highest quality call center company in the world!



**The ROI you want from the company you trust.**

**1-877-893-3618 | www.infocision.com**

## EXECUTIVE RECRUITING

### Professional Telesales/Customer Service Management Searches

- Search consultants to most of the top ten service agencies in the U.S. and over 50 of the Fortune 500 companies. Small companies, too.
- All custom searches using a 25,000 resume file plus extensive proactive calling.
- Dedicated telesales/customer service searches since 1981... the first and the best!

**R.L. Bencin & Associates**

2616 Hidden Canyon Dr. Resumes welcomed!  
Brecksville, OH 44141 E-mail: [rlbencin@netzero.net](mailto:rlbencin@netzero.net)  
440-526-6726 Web site: [www.rlbencin.com](http://www.rlbencin.com)

## IDENTIFICATION STATEMENT

**CUSTOMER INTER@CTION Solutions**® magazine (ISSN: 1533-3078) is published monthly by Technology Marketing Corporation, One Technology Plaza, Norwalk, CT 06854 U.S.A. Periodicals postage paid at Norwalk, Connecticut and additional mailing offices. Postmaster: Send address changes to: **CUSTOMER INTER@CTION Solutions**®, Technology Marketing Corporation, One Technology Plaza, Norwalk, CT 06854 U.S.A.

To subscribe, call toll-free: 800-243-6002. If busy, call 203-852-6800 or write to the circulation director at [rsusso@tmcnet.com](mailto:rsusso@tmcnet.com). Subscription rates (published monthly): Free for qualified subscribers in the U.S.A. only. For non-qualified U.S.A. subscribers, \$49. All Canadian subscribers, \$49. All Foreign (air mail), \$85. All orders are payable in advance in U.S. dollars drawn against a U.S. bank. Connecticut residents add applicable sales tax.

# ADVERTISING INDEX

Advertiser/ Web Address	Page Number	Advertiser/ Web Address	Page Number	Advertiser/ Web Address	Page Number
Altitude Software <a href="http://www.altitude.com">http://www.altitude.com</a>	11	Interactive Intelligence <a href="http://www.inin.com">http://www.inin.com</a>	7	Spectrum Corp. <a href="http://www.specorp.com">http://www.specorp.com</a>	26
Amcat <a href="http://www.amcat.com">http://www.amcat.com</a>	31	Invest in Bogota <a href="http://www.investinbogota.org">http://www.investinbogota.org</a>	14	Stratasoft <a href="http://www.stratasoft.com">http://www.stratasoft.com</a>	32
Autonomy etalk <a href="http://www.etalk.com">http://www.etalk.com</a>	cover 4	NICE Systems <a href="http://www.nice.com">http://www.nice.com</a>	9	Strategic Communication Systems <a href="http://www.strategicinc.com">http://www.strategicinc.com</a>	19
Cacti <a href="http://www.cacticom.com">http://www.cacticom.com</a>	33	Oaisys <a href="http://www.oaisys.com">http://www.oaisys.com</a>	15	Thomas L. Cardella Associates <a href="http://www.tlcassociates.com">http://www.tlcassociates.com</a>	4
Call Center 2.0 <a href="http://www.callcenter20.com">http://www.callcenter20.com</a>	27	Plantronics Inc. <a href="http://www.plantronics.com">http://www.plantronics.com</a>	3	Verint Systems <a href="http://www.verint.com">http://www.verint.com</a>	5
CosmoCom <a href="http://www.cosmocom.com">http://www.cosmocom.com</a>	13	Prosodie Voice <a href="http://www.prosodievoice.com">http://www.prosodievoice.com</a>	23		
InfoCision Management Corp. <a href="http://www.infocision.com">http://www.infocision.com</a>	cover 2	Sennheiser <a href="http://www.sennheiserusa.com">http://www.sennheiserusa.com</a>	cover 3		



## With Tim Passios, Director of Product Management, Interactive Intelligence

**Q** Our contact center seems to operate well, yet we're still looking to make changes that will set us apart and provide a competitive advantage in the marketplace. Are there technologies or products other contact centers are using that can help us accomplish our goal?

**A** I've never seen a contact center that can't be improved. But you must first evaluate where your contact center is relative to the most recent innovations for contact management. A good place to start is by asking a few questions:

1. Is our contact center utilizing the power, cost savings and flexibility of VoIP and SIP?
2. Do we allow customers (and prospects) to contact us using multiple methods: phone, Web chat, e-mail and fax?
3. Do we utilize tools like call recording, screen recording, whisper coaching and post-call satisfaction surveys to monitor agent effectiveness and improve performance?
4. Do the interaction management applications we use tightly integrate with our company's back-end systems, letting us respond to customer inquiries more effectively?
5. Does our contact center offer in-demand self-service options, such as speech-driven IVR and e-mail auto-response to speed answers to inquiries?

6. Is our contact center structured to facilitate the use of remote agents to expand organizational flexibility?
7. Have we taken steps to ensure that our contact center is as easy as possible to manage, including implementing and administering new technology?

If your answers strike a positive note, you're on your way to building what we call The Intelligent Contact Center, which leverages technology to increase agent effectiveness throughout a contact center and improve each customer's experience. Ultimately, the resulting value difference between an Intelligent Contact Center and an ordinary one is measured in the contribution the contact center makes to an organization, and getting there starts with how well your contact center integrates new innovations.

How will the Intelligent Contact Center evolve over the next few years? As the name indicates, technology will enable contact centers to build more "intelligence" into the interaction process. For example, whereas most agents can now access databases to locate certain information about a caller, new Intelligent Contact Center solutions will allow them to capture and analyze a customer's data, then initiate specific actions based on that information. That is, systems will go well beyond simple data dips, and will use several aspects of a customer's information to manage an interaction more completely and dynamically.

Along with a customer's account status and purchasing history, Intelligent Contact

Centers will employ a customer's stated preferences, geography, culture and the acceptance or declination of past offers to determine an exact course of service during an interaction. Also, instead of an agent accessing only a customer account record and trying to determine what to do next, technology itself will drive subsequent actions: Should the call be routed to a specific individual or to a group? What options should be presented to the caller? What additional information about other products or services should be presented?

As technology drives contact center processes for customer service, two important things occur. First, the customer's experience improves dramatically, since a contact center presents appropriate information and choices—unburdened by options that are often irrelevant. Second, agent errors and dependence are lessened. Rather than relying on the need for a seasoned, well-trained agent, technology drives the interaction process, meaning less reliance on an agent's skills and judgment, as well as fewer agent training requirements and far less turnover.

Thanks to technology, the Intelligent Contact Center is an evolution that will continue to mature over the next several years. The good news is that the genesis of it is here and available today, benefiting the Intelligent Contact Centers that implement it. **CIS**

*Tim Passios has more than 16 years' experience in the contact center industry and is the Director of Product Management for Interactive Intelligence, Inc., (news - alert) a leading provider of business communications software for the contact center and enterprise with over 2,500 installations in more than 60 countries. For more information, contact [info@inin.com](mailto:info@inin.com) or 317-872-3000.*



## headset got you down? try ours...

### Introducing the Sennheiser SH 230

Let's face it. You are closer to your headset than anything else in your life.

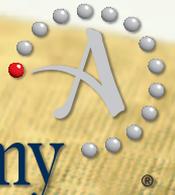
Shouldn't it be something that brings you happiness instead of misery?

Sennheiser's SH Series goes the distance in audio quality, comfort, durability and ease of use. These lightweight headsets can make all the difference in the way your calls are perceived. Let that difference be your winning strategy.

Contact us. We'll let you take one out for a test drive.

But be warned...you won't want to give it back.





**Autonomy**  
**etalk**

Are your customers giving you gifts you just can't open?

Autonomy etalk surpasses traditional approaches to call center automation by understanding the meaning hidden inside customer conversations and emails. Our Intelligent Contact Center solutions automate the capturing, analysis and sharing of valuable customer information. An industry leader with a \$2.5 billion market cap, Autonomy might just be your biggest surprise.

With **Autonomy etalk** you'll be able to appreciate their pearls of wisdom.

Find out how Autonomy etalk can help you find your jewels of information by visiting us at [www.etalk.com](http://www.etalk.com) or call us at 800.835.6357