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CUSTOMER INTER@CTION *Solutions*

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27
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Nadji Tehrani, CEO, *Technology Marketing Corp.*

True Stimulus Belongs In Call Centers & SMBs

These are critical times in our history. Our country is in the midst of economic turmoil, the likes of which we have rarely — if ever — seen before. It is our responsibility to help our government in every way we can. It is in the spirit that I write this editorial.

In that regard, I strongly feel that true stimulus belongs in call centers and SMBs.

Here are the reasons why:

1. Call Centers are labor intensive — It is a known fact that under successful management, call centers usually grow at a rate of 20–25% even in difficult economic times. Consequently, once a call center starts with a finite number of employees, it is reasonable to assume that it will double or triple within a short period of time. As a pioneer of the call center industry, I have watched this industry grow from non existence to the current level and I stand behind the above statement 100%.

2. Call Centers are Vital in a Recessionary Economy because:

- Businesses depend on it — Every business is also a call center. As I have stated in these editorials many times, if you take the telephone out of any company, it is only a matter of time before that company will go under. Not only is the telephone crucial, but so is the manner of handling business or responding to customers leveraging the principles of call center and customer interaction/CRM technologies.
- Sales and marketing depend on it — With all due respect to e-mail, the telephone continues to play an essential role in the success of a small business. Indeed, as an important part of integrated marketing, the telephone and email combine to form a truly powerful way to generate sales leads, close the sales and build the business.
- CRM, customer care and customer retention depend on it — It is a known fact that since the introduction of the 1-800 toll-free numbers by AT&T in the early 80's, the call center has also become a vital source of customer care, customer service and customer retention.
- Credit and collection depend on it — Particularly in this economy, when cash flow is tight, every company must have a well trained credit/collection department. Without this skill set, delinquent accounts will rise and the company cannot survive.

- Charities and religious fundraising depend on it — I think we all know the importance of charity and religious fund raising and the fact that in addition to direct mail, and email, the telephone continues to play a major role in this area.
- Lead generation depends on it — As I have stated many times in these editorials, all sales begins with a sales lead. That is why lead generation plays also a vital role in the survival of a company.

The above simply explains only a few of the reasons why call centers are vitally important to the growth and job creation of every business.

Call Centers and SMBs Are the Dynamic Duo

When it comes to “new job creation”, Call Centers and SMBs (combined) are in a class by themselves. Given the necessary tax reduction, capital gains tax eliminations and other job producing incentives, Call Centers and SMBs can, in fact, produce more new jobs than any sector of the economy.

Unfortunately, the recent, so-called, nearly trillion dollar stimulus package hastily passed by Congress does not include one dollar for Call Centers or SMBs!! History has repeatedly shown that the government is NOT capable of producing jobs or managing anything. The disasters at AIG, 80 percent of which is owned by the government among other massive failures at Fannie Mae, Freddie Mac, Amtrak, and the U.S. Postal Service, to name a few, clearly shows that producing new jobs is NOT the government's core-competency. But indeed, job production is exclusively the core-competency of Call Centers and SMBs.

Also, taxing of job producing entrepreneurs during this global recession is as counterproductive as it gets...

So, if the government is truly serious about producing millions of new jobs, it should show it by action. Words are cheap.

My suggestions to Mr. Obama are that if you mean what you say, spend 80% of the so called “Stimulus Package” on Call Centers and SMB's and eliminate the Pork Barrel

and earmarks. Please stop wasting tax payer's money on the likes of AIG, GM, Citibank and others. Don't place our children and grandchildren under the huge burden of having to pay back trillions of dollars of debt needlessly. Please refer to my March 2009 editorial.

There Should Be No Free Lunch

Lee Iacocca, the former brilliant CEO of Chrysler who was the first to ask the federal government for a \$1Billion bailout, and who was able to successfully turn around the company and pay back his debt, recently mentioned that, "We are drowning in debt, but our public servants are always talking about free lunch." In other words, the country is in a critical state economically and we must eliminate any and all free lunches.

As always, I welcome your comments. Please e-mail them to me at nadjitehrani@tmcnet.com.

In Memoriam, William J. Conway

It is with sadness that *Customer Interaction Solutions* reports the passing of one of the pioneers of the teleservices industry, William J. Conway Sr.

Mr. Conway introduced teleservices marketing as a function to sell and retain magazine subscriptions while at Time, Inc. He was Worldwide Circulation Director of Life Magazine and in 1957 he founded Life Circulation Corporation, a wholly owned subsidiary of Time, charged with maintaining an 8-million circulation rate base for Life Magazine.

Mr. Conway then took this success to found DialAmerica Marketing in 1976, which became the largest privately held teleservices company in the United States. His son, Arthur, is President and CEO of DialAmerica, which now has 25 state-of-the-art U.S.-based contact centers that make 200 million calls a year, averaging 100,000 phone hours a week with one of the highest conversion rates and customer satisfaction scores in the industry.

I have known DialAmerica for many, many years. Through his company Mr. Conway has demonstrated that if you use the phone right, with well trained staff, that it can generate sales of products that consumers want to buy. Purchases that they may not have made and enjoyed were it not for the calls they received. Mr. Conway's legacy is helping to create an industry that has enriched our economy, one that has spawned incredible technology innovations, and which directly and through suppliers indirectly now employs many Americans from all walks of life.

The entire *Customer Interaction Solutions* staff sends their condolences to the Conway family and friends.



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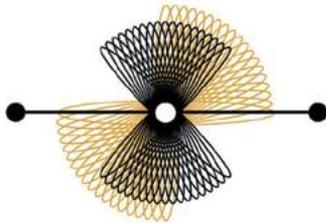
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Rich Tehrani, *Group Publisher, Technology Marketing Corp.*



Interview With Spanlink's Scott Christian

Are companies really cutting their investments in customer acquisition and retention in this economic climate?

I recently had a chance to speak with Spanlink Communications' relatively new President and CEO, Scott Christian, and he walked me through what the company is up to, the full details of which is on my blog (www.tmcnet.com/5106.1).

For example I asked him about Spanlink's international footprints and he told me that his customers do seek it out for international work. Spanlink has customers and installed locations throughout the world. It is for example deploying a solution in South Africa for a customer based in Seattle.

One of the more interesting parts of our interview revolved around our discussion of how companies are looking at spending more or less on customer acquisition and retention.

"Both for unified communications as well as for contact center applications the current market trend is significantly less spending than six months ago," said Christian. "Spending decreased when the market collapsed in fall 2008. At the same time what we do see is a growing pipeline. Customers and prospects are still interesting in talking with us and planning for their futures."

I asked him if there seems to be optimism in the contact center space going forward and he replied there was no doubt about it.

"What is compelling people to spend money today are on [those solutions] with very short returns on investments," said Christian. "If we can work with customers to provide an ROI that is six to 18 months out they will spend money. [For those solutions] that require longer-term ROI, those that take three-four years to realize the returns, companies and prospects are holding off on the spending but they are planning to spend. And as markets improve spending will accelerate."

What are some of the reasons that Spanlink would tell companies that are considering changing their communications systems for doing that now? He broke his reply into addressing two segments: those that started to invest prior to the decrease in the market, so that they have already committed money and started the technology conversion, and new initiatives.

For the first group they should continue to deploy applications that deliver value on the infrastructure that they have already invested in. That comes in the form of unified messaging, speech recognition, and conferencing. The reason is that that

they have already started migrating their applications and it would be "a waste to not to continue to develop that so that they can realize the return."

For new customers and prospects he gives a few reasons why they may want to invest now. One might be is that the technologies installed from their current providers could be at end of life. Another is to reduce costs. That could come in the forms of reduced number of agents in a call center and reduced travel. He said between 2009 and 2010 there could be 2 million fewer airline seats than in 2007 and 2008 as people cut back on travel. Unified communications products can bridge that lapse with a feature rich experience that continues to enable enterprises to collaborate.

I told Christian that I had found that in tough times companies often reduce spending on items like contact centers, sales, and marketing; the areas that actually drive the sales. If a market shrinks in size, such as retail, retailers need to fight harder to get a bigger share so that they can retain as many sales as the prior year or potentially eke out a slight increase. I asked him what advice does Spanlink give to clients to help them keep their current customers as they cut costs.

Christian replied that firms can get better presence in the market with existing customers by unlocking employee potential. One way is through better call center applications and unified collaboration technologies to get more work done by each employee. They also need to serve their customers better to retain an intimate relationship with them.

"One of the things we talk to our customers about as they reduce their spending is trying not to impact customers," said Christian. "We offer managed outsourced services so that if they reduce the number of employees we can bridge that gap. Another service that helps companies manage this need is the borderless enterprise where they have remote virtual workers. They can employ them on a part-time basis that retains that customer intimacy. We sell a lot of our products on a leasing program so that they become operating expense in short-term one rather than a long-term capital expense."

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FCR and The Revenue-Generating Center

First call resolution has become one of the most important metrics centers can offer because it does a pretty good job of putting what the center does into context that the rest of the organization can understand and quantify. It has real potential to reveal how customer support operations are really revenue generation centers in disguise.

The reason it's sweeping across call centers so rapidly, is because it's the first major metric to come along that focused on the success of an interaction, not just on describing the contours of how long it took and putting it in a box on the shelf. It's the kind of metric that asks a fundamental question about whether it was a good or bad interaction, and opens the door to further questions: what can we do with it, whether it's good or bad?

To use a baseball analogy, it's the difference between measuring something basic like hits and walks versus measuring something more meaningful like RBIs or Runs Created. It's the beginning of measuring call center activity in terms of the opportunities that are created by each interaction or call, setting the stage for an assessment of whether you're capitalizing on the opportunities. If you know your customer satisfaction and your customer retention rates, and you calculate the value of customers, you're going to need some kind of process-based measurement that tells you how you're handling the processes in the interaction to maximize that value. And frankly, something as vague as service level just isn't granular enough to do the job.

And the benefit of measuring something like FCR is that it's clear to people outside the contact center what you're measuring and what their value and contribution is. You can use FCR to identify exactly where the breakdowns in the process might be, and it might not be in the call center. It fosters shared responsibility for owning the customer interaction around the organization.

It starts creating a framework for identifying when and where you should be driving revenue opportunities out of the contact center. I was in a meeting recently with a group of executives who manage technical support centers, and I was surprised to find that nearly everyone in the room was being tasked by their corporate executives with producing real sales revenue from their technical support reps. And yes, they find that frustrating, because a lot of the time they're not given the tools to do that, but a lot of them are turning to FCR to help them figure out when they might be missing sales opportunities from support callers.

We want to consider FCR a measure of a one-and-done interaction, but we need to be precise and consistent when we're talking about whether we include the IVR touchpoints, for example, or how we bring other channels like Web contacts

and e-mails into the mix if we want to create a clear picture of what the customer's experiencing.

A lot of centers also have trouble settling on a consistent measure because the interaction crosses barriers internally. A lot of what we're seeing in the move to unified communications, for example, is bringing outside knowledge workers into the mix to help solve problems on the first try — so the technology to measure how you hand off calls between those locations has to be standardized to be able to account for FCR.

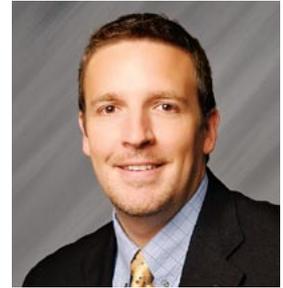
And on top of that, looking at call center activity through an FCR lens changes the way agents behave. They are traditionally measured based on things like ASA and AHT, talk time, things that they have some degree of control over. But when you start judging them based on resolution, that's going to require a rethink of the kinds of things you train them on, the kinds of skills you select for, and the kinds of things you incent in their behavior.

For all the benefits of FCR, especially on the revenue side, it's still important to remember that FCR looks a little different from the customer's point of view than it does from inside the center. For them there's an unconscious melding of how long they waited in queue, how many times they were switched from agent to agent, how many times they had to repeat the same information, even what their experience with the IVR was like, that's going to weigh in on how they determine "satisfaction." There may still be a gap between what your FCR numbers are saying is going on, and what the c-sat figures show.

And I think that one of the things that's most important is that the experience the customer has with the whole range of the interaction, including (maybe especially) the stuff that happens between transfers and before the first agent comes on the line, is critical in establishing success of the interaction as a whole.

Making FCR work from the customer side requires context: understanding the relationship between FCR rates, which are just numbers, and what those rates relate to in terms of outcomes — measuring did customers stay customers longer as a result of better FCR, or did they spend more, or did you do a better job of matching cross sells to potential buyers. That's how call centers create revenue.

Shifting from Mass Marketing to One-to-One Marketing



*By Ken Dawson,
Chief Marketing Officer
InfoCision Management Corporation*

In response to decades of marketing overload, consumers have adapted the way they absorb information. Today's consumer hears an operator on the phone or glances at a piece of mail and decides in an instant whether it has value. Messages not immediately identifiable to the individual are promptly cast off into a sea of irrelevant clutter.

As the customer has evolved, so must your business. Companies need to move away from the traditional mass marketing practice of blanketing everyone with the same message (the "one size fits all" approach), and start connecting with consumers on an individual basis. Customers want to feel that you know them, what they need, what they want.

By embracing a one-to-one marketing strategy, your company can enhance its brand position, improve return on investment (ROI) and increase customer retention. Here's where to start:

Get to know your customers

Every time a customer purchases a good or service, they are telling you something — what kind of products they are interested in, when they are purchasing, how they make payments. Through data acquisition, you have the unique opportunity to listen to them. If a customer doesn't respond to phone contacts but responds to e-mail, take notice. It sounds obvious, but a lot of companies don't do it. They ignore the preferences of customers and, consequently, the customers don't come back.

As we all know, it costs more to acquire new customers than to keep current ones. By creating a relationship that your customer feels is mutually beneficial, you can establish a dialogue. From there, you can collect even more data about your customers — how old they are, how many children they have, what their hobbies are, if they vote, etc. Believe it or not, all of this information will help you better reach both current and potential customers in the future.

Use data to create customer profiles

Utilizing business intelligence to analyze data, you can create customer profiles that will help you up-sell existing customers and court new ones. Think about one of the most basic examples of business intelligence at work — Amazon.com. What do they do immediately after you make a purchase? Recommend items bought by customers who made similar purchases.

The more data you collect, the better you can pinpoint customer need. When your data tells you that a particular product is consistently purchased by married men in their early 40s living in urban areas with two or fewer children, guess where you should target your marketing efforts? If you don't have the capability to collect and analyze customer data in house, you may have to look outside. But investing in data, profiling and analytics will make a significant difference in your ROI.

Employ the data in a way that captures the customer

Once you've attained data and created profiles, the next step is using the information to engage customers. How can you take

everything you know about a person and use it to speak to them in the most effective way? This is where technology comes into play.

On the telephone, scripting that was once done with operators rustling through ten different papers can now be accomplished with intelligent software that moves operators through thousands of different scripts seamlessly. In terms of direct mail, you can craft mailers specifically for the individual — or, more accurately, each individual profile.

If you're trying to sell a customer a new vehicle: show a picture of the exact model the customer currently owns (same color and style), and explain how the new vehicle would be more beneficial for their profiled lifestyle (e.g., minivan: accommodate a growing family). When an individual flips through a pile of mail and sees something personalized, the chances of the message being received increase infinitely.

Embrace technology and adapt to fluctuating markets

In the past, businesses were limited to traditional mass marketing techniques by equipment and cost constraints — but that's no longer the case. Technology has made it feasible and cost-effective for any company to employ a one-on-one marketing strategy.

Variable data printing and digital printing allow companies to easily personalize materials, and the Web has opened up even greater possibilities. Companies can create personalized URLs so every individual receives a unique experience. For example, our minivan owner could be sent to a family-oriented Web page, catered to his profile and interests, while a sports-car driver would be sent to a different landing page entirely.

We've reached an age where technology can actually bring businesses and customers closer together. All these components — teleservices, direct mail, Web — can be used as part of a multi-channeled effort to meet the diverse needs of your customers. By improving the quality of their experience, customers will form a stronger bond with your organization and, as a result, increase your profit potential.

Ken Dawson is the chief marketing officer of InfoCision management Corp. Reach him at ken.dawson@infocision.com. In business for over 25 years, InfoCision is the second-largest privately held teleservices company and a leading provider of customer care services, commercial sales and marketing for a variety of Fortune 100 companies and smaller businesses. Along with call center solutions, InfoCision offers business intelligence, digital printing, direct mail solutions and fulfillment services. For more information, visit www.infocision.com.



- **Aspect** (www.aspect.com) has introduced several new unified communications (UC)-based customer service and collections applications that provide this technology with even greater benefits. These include reducing maintenance costs by 20 percent and boosting productivity by 10 percent. The solutions are:

- **Seamless Customer Service™**, which delivers the tools needed for comprehensive call response, including coordinated self-service/live service and integrated assistance to improve first call resolution and enhance overall customer experience

- **Blended Interaction™**, which provides inbound, outbound, self service, and workforce optimization functionality

- **Streamlined Collections™** to automate early stage collections and enable expert agent engagement for a more effective delinquent account targeting strategy

- **Optimized Collections™**, which utilizes performance, workforce and campaign management to enhance contact and calling strategies by applying the right resources at the right times

- **Productive Workforce™** for Aspect@eWorkforce Management™, a tool that allows strategic evaluation of multiple staffing plans to ensure having the right number of agents with the right skills, at the right times. Even subject matter experts outside the contact center can be scheduled with this application

- **Contactual's** (www.contactual.com) has updated its offerings with Contactual On-Demand Contact Center Version 6, which offers better security, a new reporting API, and an improved IVR editor. It also has a redesigned agent toolbar, ability to broadcast notices to agent groups, enhanced chat functions and desktop sharing to make agents more productive and improve job satisfaction. Platform capacity, stability and interactive toolbar performance are all significantly improved over previous versions.

Contactual OnDemand Contact Center Version 6 is optimized for supporting home-based agents. The agent interface makes it easy for them to learn and use the application. The solution removes the fears of supervisors of not being able to effec-

tively manage these out-of-sight employees through access to critical contact center metrics in real time. Call reporting, monitoring, service level management, historical reports and more are all available on demand.

- Research firm **Datamonitor** (www.datamonitor.com) says the contact centers can respond proactively to the struggling economy that has made customer acquisition challenging and to consumers sharing information online by utilizing social networking websites. By integrating Web 2.0 technologies with other communication technologies they can improve customer service at a low cost. Websites such as Twitter will become more ingrained into contact center customer service and CRM strategies, and **Google's** search capabilities are likely to be used for mining information from relevant websites.

- **Nortel** (www.nortel.com) has integrated its **Nortel** Contact Center with Microsoft's Office Communications Server 2007 R2. This provides a unified presence of experts to contact center agents, and allows new ways for customers to reach contact centers that ensure customer resolution is reached quickly and efficiently on first contact. For example, customers can reach the contact center by phone or IM, and agents can escalate an IM to an audio or a video ses-

sion. Nortel has also enhanced its services practice to provide Office Communications Server 2007 R2 network assessment, design and deployment capability.

- **Oxygen8 Communications** (www.oxygen8.com) has launched a new interactive voice broadcasting service, which enables media companies and corporate users to drive new revenue streams. Named 'Voice Push,' the new service allows customers to simultaneously mass call thousands of 'opt-in' users in any English-speaking market with an interactive voice broadcasting message. Recipients have a choice to either leave a recorded message or get connected to a call center agent if a further action is required. The interface allows calls to be scheduled and set-up by the customer offering flexibility and rapid set-up. Users can set the system to repeat call until it receives a response and according to officials, only successful calls are charged.

- **ProPay** (www.propay.com) has made accepting credit card payments more secure and easier with **ProtectPay™**, a new fully encrypted PCI-compliant payment card processing, transmission, and repository service. ProtectPay encrypts sensitive customers' data directly from the customers so that their data never touches merchants' systems. It also al-





lows the data to be safely used for repeat billing and ongoing business transactions, ongoing payment data management, and data search and reporting capabilities. The solution also facilitates refunds and credits.

- SupportSoft (www.supportsoft.com) has released Dynamic Agent, a software solution that makes it simple for enterprises and service providers to automatically resolve customers' routine tech problems, as well as deploy enhanced services. The solution supplies 'point-of-pain services' in the form of '1-click fixes' that let organizations provide just-in-time support and help customers resolve their own issues.

With Dynamic Agent, organizations can now create a new and convenient marketing channel to orchestrate new

methods of driving revenue. With real-time access to the customer's context and system configuration, personalized and timely offers can be presented. Examples include renewals at or before warranty or subscription expiration, additional data storage upon or before reaching storage capacity, or the latest bandwidth enhancement during periods of high usage.

- Telrex (www.telrex.com) has released version 3.8 of CallRex Workforce Management™ software. It has an improved forecasting engine that will allow contact centers to perform what-if scenarios, such as reducing the number of agents on the phones on service levels and budgets. It has also installed a graphical agent roster that will permit supervisors to drag and drop changes such as breaks and lunches into schedules.

That avoids manually making changes to each agent's schedule, saving time and giving a better overview of the workforce.

- Telus (www.telus.com) has opened a new contact center in Las Vegas, Nev. that will eventually house up to 1,000 agents and supervisors. It is also hiring over 2,000 staff at three contact centers in Central America: Guatemala, El Salvador, and Panama. The new Las Vegas site and Central American expansion will provide added customer care and support for Telus's fast-growing Telus International division, which supplies customer care, IT, and business process outsourcing solutions to enterprises globally. These investments will give the unit much-needed added Spanish language capabilities, along with greater English-language handling capacity.

Braxtel's Contact Q 1.0 Contact Center

Braxtel (www.braxtel.com), supplier of the Fluency line of customer care solutions, has rolled out Contact Q contact center version 1.0, a Linux-based open source IP-based contact center package, sold through Braxtel's new Contact Q subsidiary. Contact Q 1.0, which received a Best of Show Award at IT EXPO EAST, has been formulated to deliver IVR, media queuing, ACD, predictive dialing, extensive call recording and agent monitoring as well as comprehensive reporting and management tools.

Contact Q has been built on an open source platform to give it immense flexibility, customization, and affordability. The solution can never go out of date or need to be replaced thanks to its ability of owners to easily modify it and the ongoing development work by both Braxtel and by the exponentially expanding universe of open source developers.

Being open source Contact Q can work with most any switch. It works on industry standards such as SIP, Voice XML (VXML), AJAX (Web 2.0), and XMLRPC. It is designed to work with both VoIP soft switches such [Asterisk](#), [Freeswitch](#), [Cisco](#), [Nortel](#), and [Pingtel](#) as well as legacy platforms from [Avaya](#), [Siemens](#) and indeed any ISDN compatible PBX. It can be deployed both as a premised based solution and as a hosted solution.

Key Features and Components

- Fully featured multi-media skills based routing ACD including multiple queue modes, overflow to voicemail, queued voicemail, time/day routing rules, agent unavailable types and 9999 skill levels
- Telephony-based agent logon for Office or Home based agents
- Powerful IVR with drag and drop programming tool, configured by SMXML scripts
- Outbound preview, progressive, and predictive dialing modes
- Monitoring and listening-in, and recording with quality monitoring for agent scoring
- Real-time supervisor and agent dashboard web applications, provid-

ing agent and queue performance and drill-down statistics

- Full historical reporting delivered via the web browser
- Scalable, supports multiple media-server/gateways and application instances
- IT friendly, supporting LDAP, SNMP protocols

System Requirements

Standard PC. Once you download the free version from www.ContactQ.Org it will wipe the machine clean and install all required components. It will take you straight into the Browser based administration console

Pricing

Purchased for \$1,800 or yearly subscription at \$750 per annum



Enabling Your Agents To Go Home

There is no place like home, and that is becoming increasingly true for contact centers. An IDC study “U.S. Home-Based Agent 2008–2012 Forecast: Homeshoring in an Underwater World” projects that the number will grow at nearly 19 percent per year, with over 300,000 agents by 2010.



These estimates are being confirmed by contact centers. For example [Convergys](#), which launched its program in 2007, has expanded its network by 70 percent from 900 to 1,500 agents in the U.S. and in Canada.

The trend is not limited to U.S.-based teleservices firms. Telus, one of the Canada's largest communications carriers, is ramping up its at-home agent program, begun in 2006, to 1,050 agents by the end of 2009 from 750 at the beginning of this year. They will represent nearly 21 percent of its contact center workforce from 16 percent currently.

Telus's at-home agents presently live/work in communities no more than 95 miles from the firm's eight contact centers: in Alberta, British Columbia, Ontario, and Quebec for travel in as needed. The carrier is now looking at broadening the network and removing the trip requirements so it could tap qualified potential agents in other labor markets.

So popular that home working has become that commercial real estate firm CB Richard Ellis, which has a large contact center site selection practice, now helps firms find the right labor markets for home agents. It has devised a home agent index, similar to its saturation level that it is rolling out (more in the June site selection feature).

“We've found that we've had to respond what is going on in the industry, and going to home agents may be a big shift in thinking,” explains Kara Burns, Associate Director, Consulting, CB Richard Ellis. “We believe just as labor is the top driver for bricks-and-mortar contact centers it is the same for home agents.”

Driving Agents Home

There are strong cost and output drivers that continue to bring contact center agents home. The Telework Coalition, a telework advocacy/education organization, reports net benefits including facilities cost savings and productivity gains as high as \$10,000 to \$20,000 per agent/year. Productivity also includes

a greater ability by home agents to handle spikes for shorter duration, with less notice and with much more scalability than their bricks-and-mortar counterparts.

Michael DeSalles, strategic analyst, Frost and Sullivan reports that by going home organizations have attracted higher quality agents, who in tests proved that they could deliver better service than their bricks-and-mortar counterparts, domestically and offshore. Hiring for home-based positions has cut turnover by 30 percent, which knocked down recruitment and training costs.

Studies have repeatedly shown that the ability to home work consistently ranks as one of the top features prospective employees seek from employers. One key reason is savings of up to \$5,000/year in commuting and work apparel costs. Another is avoiding increasingly lengthy and stressful commutes.

Home working is also green working. A Telus study estimated that its program has resulted in 1.94 million kilometers (1.2 million miles) not driven, 1,250 days of time and 135,000 kg of CO₂ not released into the atmosphere since the program began.

Helping to making home agents happen is a growing comfort factor in organizations with employees that are working sight unseen. More mid-to senior management are doing just that: occasionally, part-time, and in some cases full-time. Employees are becoming used to interact with colleagues that they do not see. There is more reliance on e-mails and IMs to communicate with staff, even if they are in the same office.

Organizations are also realizing that they can effectively manage at home agents, with the same tools that they already use in contact centers. Call recording solutions from firms such as CyberTech International and workforce management applications like [Verint's Impact 360 Workforce Optimization](#) suite also supports the often variable deployment of home agents.

At the same time firms now have at their disposal new technologies that they can leverage to support the home agent environments.



These include highly flexible platforms, recruiting, training, and communications tools, security solutions, and VoIP.

Alternatively there is a growing legion of well-equipped teleservices firms that handle programs at agents' homes. For example Sitel went live with its 'HomeShore' program in 2008. These firms are also experiencing expanding demand for this 'location'. West witnessed an approximately 29 percent increase in home agents from 14,000 to 18,000 over the past year.

"The overall market acceptance of the home agent model is the highest we've seen," reports Mark Frei, West Senior Vice President of Sales. "We no longer have to explain the benefits of home agents or why companies should look at [them]. Companies now understand the benefits and are embracing the concept. They are looking for the best way to implement a home agent program."

Home-Agent Friendly Platforms

There is a growing array of home-agent-targeted contact center platforms, many of which are hosted to provide scalability and flexibility to easily permit adding more of these staff. Volt Delta is hosting [Transera's](#) Seratel software on its extensive network. Agents need only a PC, phone, and Internet connectivity. Supervisors and managers have a convenient web-based dashboard for monitoring and managing home agents.

These platforms are becoming easier to manage. inContact has made its hosted platform 100 percent browser based-- it had been a thin client application--which lowers costs and made launching and supporting home agents easier by avoiding installing and managing software.

Telus, prompted by clients who were impressed by its home agent program, has parlayed that experience into a home working consulting and hosting service. Telus's CallCenter-Anywhere platform can host, route, and launch inbound and dialer-initiated outbound calls. It partners with LiveXchange to provide contracted home agents either on CallCenterAnywhere or LiveXchange's similar platform from [Oracle](#).

Telus's employee agent support program features PSTN voice and DSL broadband connections integrated with CallCenterAnywhere or with the clients' existing platform, desktops and secure networks, along with consulting services to help clients' deploy agents in home settings. The carrier places them together in a simple monthly bill. It will also offer to hire and manage the agents at home as its employees and then offer them on temporary outsourced basis to clients.

There are new solutions to permit presence/unified communications links to home agents. Presence is built into the [Avaya](#) Home Agent solution that is part of IP Agent/Home Agent platform. That avoids sourcing and installing separate presence/UC software. [Toshiba's](#) Strata ACD, with Net Phone 6.0 offers a presence view that shows real-time status of other users, including phone status, status message

and IM chat status i.e. if Net Phone is launched and agent is online to accept chat requests. It also supports whiteboard collaboration.

One of the realities of working from home is that tech support is most often the individuals in the mirrors. There are now tools to help them. SupportSoft's Dynamic Agent software provides common problem auto remediation and establishes real-time triggers and alerts that enable just-in-time support. It also supplies "1-click fixes" so they can resolve their own issues with user-friendly 'show me', 'tell me', or 'just do it for me' content.

Recruiting and Training

There are two key issues with hiring home agents. The first is ensuring that the individuals have what it takes to work from home. These attributes including facilities: quiet and secure office space, reliable broadband connections, and personal qualities and skills: chiefly the ability to work independently. The second issue is volume. The popularity of home based agents can overwhelm HR staff when word gets out that a firm is looking for them.

There are pre-screening tools that can sift candidates for home agent suitability on top of agent skillsets. FurstPerson's CC Audition® Home Agent edition is a web-based job simulation tool that allows job candidates to 'play the part' as if they worked for you out of their homes. CC Audition can be coupled with FurstPerson's Hire@Home solution, which features a diagnostic module that evaluates job candidates' computer environment to see if they meet home agent technical requirements. Hire@Home can then determine how far into the testing process the candidates can go.

inContact offers a hosted browser-based, assessment tool with the capacity to simultaneously assess over 5,000 job candidates. Applicants log into a customized website and are examined for skills, attributes, and abilities, and are then matched against the clients' custom job models to determine job fit.

Evolv has a customizable automated hiring solution specifically for home-based agents with criteria based on detailed job analysis and shadowing, competency modeling, subject matter expert interviews and validation studies. With it you can specify and the solution will screen for you home workplace connectivity and environment requirements such as for computers and broadband availability and potential noise distractions, such as pets or children. You identify and employ those agents from either internal or external pools that are best-suited for specific programs.

Evolv's solution will inform you where your best-quality applicants come from to reduce or eliminate spending on ineffective job boards. It provides seamless integration to over 800 job boards.

Home agent initial and refresher training is increasingly being delivered by e-learning: the same as for bricks-and-mortar staff, and blended with conferenced: audio/web/video live instruction or virtual training. Telus is now looking at virtual training to save money, avoid having agents travel in, and to expand the home agent universes.



Home agent management

One of the biggest challenges many firms say they have in home working is keeping these staff connected to their companies in culture, brand identity in outsourced projects, product knowledge, and in teamwork. For that reason some firms like Sitel and Thomas L. Cardella & Associates deploy home agents in constellations, and require them to come into the centers. Others set up regular meetings at sites in the middle of home agent clusters to lessen transportation time and costs.

Web chat is a very effective way to stay in touch. This functionality is contained for example in [Contactual's](#) Contactual OnDemand Contact Center Version 6. It can be used to chat with end users, between agents and supervisors, and between agents. A supervisor can use the chat to announce a special promotion to end users or they can alert agents about a specific situation that has arisen that needs attention right away.

Another and promising tool is video. [Avaya](#) is releasing a video solution in an upcoming version of Avaya Home Agent, named one-X Agent. It enables them to transmit and receive streaming videos, such as training or to help customers with users, and for other agents and supervisors to see the home-based staff.

InfoCision Management Corp. uses a palette of techniques to communicate and stay in touch with its 200 home agents. These include IM, weekly conferencing, training and meetings at centrally located venues, and, more recently by a new web site and chat room where supervisors and staff virtually converge.

The website, launched in December, 2008 contains information ranging from scheduling, program updates, announcements, and results to alert staff to inbound spikes throughout the day and evening. Agents can look up their performance results for the week, which helps them to see if they are on track to bonus.

Training materials and knowledge checks are posted there so that the staff can stay refreshed on policies and procedures.

"Previously, we would send e-mail updates to everyone, sometimes several a day and then we found that some of the agent were not consistently receiving these updates," explains Georganne Contos, Manager - Work at Home. "The website solved this problem by providing a convenient, centralized location and a great way to keep them aware of their results on a daily basis. Knowing how close they are to earning a bonus really helps to keep them motivated and focused on their performance."

Security

There have been several key advances in ensuring security with home agents that have evolved to the point where customer and corporate data is just as safe if not more so when they handle them compared with bricks-and-mortar staff. That enables their compliance with data protection laws such as HIPAA for healthcare and S-O-X for corporate governance, and with standards such as PCI for payment cards.

One of the most important of these methods is the development of best practices formed from experience. Contact centers who allow agents to work from home usually require them to wire their PCs directly into the Internet connections; home wi-fi networks are typically not allowed and in some cases neither are printers.

Some companies, such as Telus, supply their agents' computers, treating their home offices like mini-satellite locations, which gives the firms complete control over the hardware and software. They can ensure that antivirus tools are up to date, detect and remove malware, and track applications and files on the system, deleting those that are unauthorized.

An increasingly popular alternative method, pioneered on a large scale by West and being adopted by others is secure lockdown. With it agents can use their own computers but when they

logon the firm takes over their machines and prohibits them from taking actions that violate corporate policies such as downloading and installing unauthorized software. This technique provides near-robust security without the cost of owning, shipping, supporting, and receiving company-owned equipment. West uses Citrix's secure Citrix® gateway to ensure that sensitive customer data never resides on an agent's computer.

[LiveOps](#) offers a secure lockdown solution, Secure Desktop, as part of its LiveOps On-Demand Call Center Platform. Only agent computers meeting LiveOps' rigorous security standards are allowed to log on; each time they attempt to connect to Secure Desktop, they must complete in-depth antivirus, personal firewall, system integrity, and service pack compliance checks. Secure Desktop can detect and block key loggers and screen scraper viruses as they execute in real-time.

None of these systems truly verifies the individuals' identities. For firms that require that added security level, such as in financial services and healthcare Frost's DeSalles is seeing firms consider voice biometrics, log in based on voice patterns and keystroke authentication. Individuals have unique keystroke signatures that can be mapped and verified against when agents login.

One such voice biometric tool is Zehu's Zehu Authenticator™. It matches users' voices to a mathematical voice model stored in a database the solution returns a highly accurate authentication within seconds.

Data between contact centers and home agents flows over the public Internet. There are two principal secure means that enable these connections by means of a virtual private network, or VPN, which creates a secure 'tunnel' by encrypting the information. One VPN method is IPsec (IP security or IPsec) and the other is SSL (Secure Socket Layer). An IPsec VPN uses client software installed on the agents' PCs or routers that connects them to the network. An SSL VPN comes with either a similar software client or a website that the agents can connect to using any internet browser.



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IPsec VPNs are proven, reliable, and are often familiar to IT staff. They have long been used to connect branch and satellite offices with principal locations.

Greg Davis, Vice President-Sales, Enhanced Services, [MegaPath](#) prefers SSLs because he says they are more secure. SSLs checks the agents' home computers for malware each time they log in and can restrict access to specific applications based on who the user is, what type of device they're using and whether they're on a wired or wireless connection. In contrast, with IPsec VPNs once the client software has been installed they can access the networks at any time: including if they have been compromised by malware. SSLs also do not require IT departments to install and manage software on the users' PCs. Their downsides are that it can be tricky to get some applications to work with it while managing all of the access policies can be challenging.

[Nortel's](#) VPN Tunnel Guard helps prevent PCs from becoming vehicles for viruses or other unwanted intrusions through the VPN tunnels by enabling administrators to define endpoint security policies for end-user PCs connecting to the VPN routers. It then ensures all remote users/devices are inspected for compliance to the security policies before allowing access. VPN Tunnel Guard can enforce endpoint security for PCs connecting directly via either IPsec or SSL VPNs.

Voice connectivity

Home agents have typically been connected to contact centers via PSTN over premises or network switches as it is very reliable and provides the highest voice quality. Yet voice over IP (VoIP), which uses packets akin to that for e-mail to transmit conversations as opposed to circuits in PSTN, is becoming a competing alternative thanks to lower call transport and installation costs. Ongoing enhancements, aided by the expansion of high-bandwidth broadband networks, now enable better quality of service (QoS) with clearer interactions with minimal call dropouts. There are all-IP switches such as [CosmoCom's](#) CosmoCall Universe that are optimized for linking inbound and handling outbound calls for home agents.

There are, however, still enough lingering QoS issues with VoIP to make many but not all contact centers leery about linking home workers with it. While firms like [Convergys](#) permits it several teleservices firms such as Arise and Working Solutions prohibit the method; West discourages it.

"The limitation or bottleneck with VoIP is the same as it was eight years ago when it was introduced; the last mile to the agents' homes is the constraint," explains John Skrhak, Working Solutions' Manager of Network Operations and Security Services. "While the technology is getting much better, without QoS control over the public Internet it can still be very unpredictable."

Popular 'ridealong' independent IP-based phone services on cable, DSL, or wireless broadband networks may not offer the quality that agents need because they cannot control the voice quality.

One solution being put forward from many sources are hosted managed networks, relying on cable, wireless 4G LTE or WiMax, and possibly VoDSL to reach into agents' homes. Managed networks enable improved QoS by being able to prioritize voice packets in the data streams.

Telus has been taking a long, hard look at VoIP and may, based on its research, pilot it this year for its at-home agents in Alberta and British Columbia where it has a rapidly expanding broadband DSL network. The carrier will implement best practices such as designating a portion of bandwidth for the voice channel to avoid QoS degradation.

"The technology wasn't there when we launched our internal at-home agent program but since then there have been a number of changes that have made VoIP worth taking another look at," explains Ian Cruicksank, manager, Telus consumer solutions at-home agent program.

The following companies participated in the preparation of this article:

Arise

www.arise.com

Avaya

www.avaya.com

CB Richard Ellis

www.cbre.com

Citrix

www.citrix.com

Contactual

www.contactual.com

ContractXchange

www.contractxchange.com

Convergys

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Sitel

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Verint

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Volt Delta

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West

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Working Solutions

www.workingsol.com

Zehu

www.zehu.com



Supplier Survey: Unified Communications



Beginning with this issue Customer Interaction Solutions is surveying solutions suppliers to get their take on what is happening in their sectors, firms, and in the contact center industry. After reviewing the responses we have selected one to be published here; all of the replies will be appearing on TMCnet.com.

This month's focus is on unified communications. The featured company is [Zeacom](http://www.zeacom.com) (www.zeacom.com), and responding for the firm is Ernie Wallerstein, Jr. President-Americas:

The current economic situation is having a significant effect on the Unified Communications (UC) and Contact Center (CC) marketplace (note: Zeacom's perspective is that that CC is an essential component of an overall UC strategy).

Providing quantitative ROI for all aspects of any UC offering has become imperative. To date, ROI for UC has been relatively soft, which needs to change and change quickly. The pressure on the traditional PBX vendors like Nortel and Avaya is immense. While these conditions are, generally speaking, slowing down the industry, they are having a converse effect on positioning the application-lead solution vendors, like Zeacom, which are benefitting as enterprises move away from PBX-centric communications solutions.

Since its inception, Zeacom has always, and will continue to improve upon its Rich Presence solutions, as evidenced by recent technological developments. For example, by extending "presence" to the PDA, CC agents can quickly connect with other employees who may be critical to solving a customer issue, or to helping close a sale.

In addition, we have recently launched our Executive Mobile application, which extends "presence" from the desktop to the PDA. Executive Mobile makes life easier for today's road warriors, empowering them with the tools to stay in touch with customers, and manage their communications as if they have never left the office. ZCC

Executive Mobile brings the best in Unified Communications to the mobile phone.

Also of note is that Zeacom has added Conferencing to its solution. This functionality allows users to quickly initiate or schedule a teleconference from the same interface they use to manage their CC communications.

Lastly, in Q3 of 2008, Zeacom purchased a call-recording application to round out our all-in-one UC offering. Our customers were asking for recording from Zeacom, instead of a third party, and we made that happen.

Zeacom markets its solutions through resellers only, which sell to small/medium-sized businesses (SMBs). We can handle contact centers of up to 500 agents-per-location, and can provide UC from 30 to 4,000 employees per location (multiple locations can be networked).

By UC, we mean multimedia contact center, IVR, unified messaging, mobility applications, conferencing and reporting all from one engine, with one administration point and user interface. This "single solution" concept is our key differentiator; other vendors sell all these solutions, but through many different applications.

Zeacom is profitable and well positioned economically. From a marketplace perspective, we expect to emerge from this economic downturn as one of the few remaining independent (not owned by a PBX manufacturer) UC application solution providers. Technically, we will continue to be at the forefront of UC by expanding our Presence engine even further into other enterprise applications, such as OCS and Salesforcedotcom.

We view ourselves as a horizontal solutions provider. We consider SMBs as our target market but we do expect to continue increasing our penetration in certain vertical markets, such as debt collection and sales force enablement.

UC is still not there. As an industry, we are clearly past the early adopter stage and the technology continues to mature. However, quantifying documented ROI is perceived to be difficult. Given the global recessionary economy, coupled with the lingering disdain for ERP-like projects, communicating the ROI on UC is imperative.

Secondly, most companies provide UC via multiple platforms or applications, which do not work for the SMB marketplace. Singular points of administration are essential to resource constrained IT departments.

The barriers between the contact center and the rest of the organization will continue to come down like the Berlin Wall. We are all involved in customer service and we are all responsible for acquiring new customers.

In terms of growth markets until the downturn ends, credit/debt collection industries will be strong. We are also seeing a demand for sales force enablement and efficiency drivers. Following the economic recovery, most industries will begin to grow again. However, this growth will come from battle-tested companies that will demand hard ROI before making technological purchases.

Another interesting aspect of this economy is that only the strong, fiscally responsible solution providers will survive. There will be more than a few companies that don't make it, but the Darwinian ones that do, will be legitimate, long-term players.



Boardroom REPORT

Elan Moriah, *President,*
Verint Systems Inc.



Nadji Tehrani, *CEO,*
Technology Marketing Corp.



The Boardroom Report provides the CRM, customer interaction and call center industry's view from the top, featuring the sector's first in-depth, exclusive CEO-to-CEO interviews with leading executives regarding industry news, analysis, trends and the latest developments at their companies. As the industry's leading publication since 1982, it is our responsibility to recognize leaders with the best minds in the industry and share their vision and wisdom with our valued readers. For this installment of The Boardroom Report, Technology Marketing Corp. founder/chairman/CEO Nadji Tehrani interviewed Elan Moriah, President, [Verint](#) Systems Inc.

NT: Please tell us about your company and type of business.

EM: Verint Systems is a global provider of actionable intelligence solutions for an optimized enterprise and safer world. As part of the company, Verint® Witness Actionable Solutions® is the market leader in workforce optimization (WFO) software and services. Our next-generation Impact 360® suite is comprised of unified, analytics-driven, enterprise-enabled solutions designed to help organizations large and small reduce costs and improve the customer experience. With Impact 360, companies can capture customer intelligence, uncover business trends, discover the root cause of employee and customer behavior, and power informed decisions to drive service excellence and continuous performance improvement across customer care operations.

Software and services from Verint Witness Actionable Solutions comprise the industry's broadest portfolio of innovative solutions for workforce optimization, quality monitoring and call recording, speech and data analytics, workforce management, eLearning and coaching, performance management and customer feedback surveys. With Impact 360, organizations can capture and analyze customer interactions, maximize resources, improve workforce performance, prioritize staff development and optimize service processes enterprise-wide—from the customer-facing contact center, to branch and back-office operations departments that help shape the customer experience.

NT: What is the greatest challenge facing your company?

EM: The uncertain economy is a uniform challenge facing all businesses, sectors and markets. As we all know, these are

not easy, or predictable, times. Even so, it's important to be reminded that this downturn will not last forever—there will be an upturn following the current cycle from which stronger technology providers and businesses emerge.

All companies are challenged today to invest in solutions, processes and people that produce results, keep customers at the forefront and deliver a strong, tangible return on investment (ROI).

Workforce optimization software is one technology that continues to be a prioritized investment area among business and IT decision makers—one that industry analysts have singled out for its ability to help drive down costs, maximize resources, increase sales, heighten service quality and retain customers. WFO can deliver on the quantifiable results and ROI that so many businesses today mandate in their technology decision procurement processes, both in up and down economies. This represents a significant opportunity for our business and our market as a whole.

NT: What do you feel are practical solutions to those challenges?

EM: Today's business climate is forcing organizations to scrutinize costs more closely. Couple that with a renewed focus on maximizing staffing resources, retaining customers and achieving measurable and tangible ROI on technology and other customer-facing investments.

Workforce optimization solutions have delivered proven results that support each of these areas in terms of staffing, service, quality, efficiency and productivity. From recording customer interactions for compliance, quality and training,



to leveraging analytics that automatically categorize and analyze call content to reveal the root causes of customer perceptions, business outcomes, and call volume drivers, companies can learn not only what customers are calling about, but why—and in turn make appropriate adjustments. Taken further, WFO customer surveys can capture real-time data on products, processes, staff performance, and customer loyalty and satisfaction levels, giving organizations insight into the effectiveness of their people, products and processes.

Sales and service organizations can use their forecasting and scheduling tools to make sure the right staff, with right skills are in the right place at the right time both in the contact center, branch and remote offices and back office operations. This helps ensure customer needs are met, queue times stay low and additional resources can be deployed as needed.

With the advances in IP infrastructures and workforce management systems, contact centers can now align customers with domain experts that may reside outside the physical contact center to assist more technical and detailed requests. This is especially important when technical support skills, bilingual capabilities, or years of experience with a certain product line/offering are needed. Home agents also have become a reality. Some businesses that have embraced remote staff models cite access to a broader, previously untapped labor pool among the benefits.

Not all customer issues originate in the contact center as businesses across verticals can attest. WFO solutions that have long been successfully used in this environment are now being more widely deployed across the enterprise. Take branch offices for instance. Just as in the traditional contact center, bank branches are focused on shortening wait times, providing timely, high-caliber service, selling new services, addressing customer issues and building a consistent experience.

Back-office operations departments are also embracing WFO to improve the quality, accuracy and timeliness of such functions as order fulfillment, billing and claims processing. Errors and unaddressed issues in one area of the business can negatively impact others—causing call volume spikes, customer frustration and even attrition.

In addition to the features that comprise WFO, companies are increasingly demanding more unified technology solutions. We've found the same among our customers who are choosing to invest in a unified suite that features the robust functionality they want with the cost-saving and less-resource intensive technical aspects that are

inherent. The result is companies can experience easier installation and implementation, and reduced learning curves and training expenses—which translate into lower cost of ownership and a faster return, not to mention solutions and services that draw on a structured upgrade path and single support organization. This is all in line with the mandate businesses have around working smart, maximizing resources, cutting costs and the drive toward productivity and efficiency.

NT: What is your company's greatest core competency; how do you differentiate yourselves?

EM: Verint Witness Actionable Solutions is a recognized market innovator and market share leader. We are squarely focused on the enterprise WFO market. Our next-generation Impact 360 Workforce Optimization suite is comprised of proven, robust software and services for enterprises and small- and medium-sized businesses (SMBs), as well as the public safety sector.

Impact 360 provides a combination of unified, analytics-driven WFO solutions, helping organizations enhance the customer experience by providing visibility into a company's entire customer service lifecycle.

With solutions backed by industry-leading research and development investments, Verint surpassed its 400th patent and patent applications worldwide. Behind our market leadership is a history of innovation and market-firsts, backed by a robust patent portfolio that provides competitive advantages in the market, increasing barriers to entry for our competitors, and affording great advantages to our global customers.

Last, and most importantly, it's our people and our customer centric culture that drives corporate success and product innovation. Verint Witness Actionable Solutions continues to place focus on the customer and build upon its heritage of developing solutions that address real market needs. This underscores our approach to partnering with our customers from pre-sales through implementation, consulting and support to help ensure their initial and ongoing success, and evolve with them as their business needs change and grow. It's why organizations that rely on our solutions return as repeat customers, adding sites and solutions in extending their investments with Verint.

NT: Thank you for your time.

This article has been edited to fit in the space allotted. For the full interview between TMC CEO Nadji Tehrani and Elan Moriah, President of Verint Systems, please visit <http://tmcnet.com/4972.1>.

By Tim Searcy



Legislative Update

Springtime and the smell of fresh ink in state houses all over America fills the air... and notices fill my e-mail. It is true that each spring, legislators across the country begin to put their legislative agendas into motion, which means crafting new legislation or dusting off old bills and resubmitting them for consideration. As the lobbying arm for the teleservices industry, this is a busy time for us.

As a part of our process, we attempt to triage and prioritize hundreds of bills that are submitted to state and federal legislative bodies. Although bills can be submitted at any time, the beginning of a new legislative session brings an onslaught of bills to consider. For that reason, the American Teleservices Association has developed a simple rubric for classifying and responding to legislation as it is entered into the collective system.

The ATA uses a scale similar to Homeland Security with the threat level depicted in decreasing severity from red and orange to the lower threat bills in yellow, green and blue. Three factors impact the score of a bill including: importance to the business interests; likelihood to pass; and speed of the bill moving through the process. If a bill is of modest interest, or is unlikely to pass, it will receive a low score and therefore fewer resources are used to fight the bill. However, if a bill has significant impacts to the industry and has a good likelihood of passing and or is possibly being "fast-tracked," the ATA will pull out all stops and use all its resources and members to combat or change the legislation. ATA members know from experience that the landscape is fluid and priorities are evaluated weekly, sometimes hourly.

By the time you read this article, some of the bills addressed below will be passed, some modified, some removed, and most will still be languishing. Additionally, we know that new legislation will also be introduced. However, although legislative change is a constant, another constant which seems to exist is topic. The legislation out there tends to be in the same area year after year with only occasional departures from the obvious.

Political Calling: It comes as some surprise to my jaded mind that politicians actually contemplate reducing, restricting or eliminating their own powerful tool of telemarketing. However, at the federal level and state level, legislation has been proposed to do just that. In the U.S. House, HR 116 would add political calls to the national Do Not Call registry. A variety of solutions from banning automated calls to opt-in lists for political messages have been created in CT, KY, MI, MO, and NY.

Calling Hours: Reducing calling hours and adjusting available days for outbound calls is a perennial favorite for some politicians. In the House, there is a bill that would eliminate

outbound calls between 5:00 and 7:00 PM. We see this every year, and it does not go anywhere, but we pay attention every time. Oklahoma has proposed legislation which would eliminate calls on Sunday.

Caller Identification: A U.S. Senate bill would make it illegal to manipulate caller identification, which is something we support. Oklahoma has a deal that would make it illegal to block caller identification, which already exists in federal law.

Cell Phones: We all know that it is illegal to use a predictive dialer or other automated dialing solutions to contact a cell phone. However, in states like AK, MO and NY, policy makers would like to reinforce this law by either expanding their state DNC list to incorporate cellular devices or by making all commercial calls to cell phones illegal.

Business Application of DNC: One of the more threatening and onerous concepts to be put forward is to allow businesses to put their numbers on the DNC registry for a state. This has not been proposed federally yet, but we are monitoring the situation closely. In CT, FL, IN, PA and TN, legislation has been proposed to allow companies (in some cases it depends upon company size), to place their organization's phone number on the state DNC.

Disclosures: There are many varieties of laws that consider new disclosures that must be made at the beginning of an outbound call, or in some cases and inbound call. Each rule is different. In Illinois, the legislation would force a company to state at the beginning of the call the company, individual and the entity placing the call. On Pre-recorded message calls that are legal, a company would have to provide an immediate opt out to a live operator. Missouri would like to place a "paid for by..." requirement in as disclosed information for all political calling. Finally, in Oklahoma, we are seeing renewed interest in having the fundraising entities state what percentage of contributions will be retained by the solicitor in each call.

The ATA keeps track of all this legislation, and if you have questions or comments, you can reach either Josh Scism or myself at josh@ataconnect.org or tim@ataconnect.org respectively. These proposed measures change regularly, and I will try to keep you informed.



Online Companies Face Fraud Risk

Ensuring that customers are confident that their data is secure in a company's database is significant for all organizations. In the contact center especially, the environment is such that agents must often ask for or have access to information on customers that can include social security numbers and other sensitive information.

According to [Finjan](#), a provider of secure Web gateway products, a newly published report from CyberSource claims to show that one in eight online UK firms is suffering as a result of fraud. In fact, this report found that one in eight online firms is losing more than five percent of revenues to fraud.

"We at Finjan believe that a pound spent on effective IT security in a business is rewarded with cost savings in many other areas several times over", said Yuval Ben-Itzhak, Finjan's Chief Technology Officer.

"The UK edition of the CyberSource Online Fraud Report notes on the lack of co-ordination and government support in

the fight against fraud. This all confirms our strategy that investing in anti-fraud IT security technology really is worth its weight in gold," Ben-Itzhak added.

Unfortunately, companies are generally alone when it comes to planning an effective strategy to beat financial fraud, but they can implement tools within the contact center to ensure agents are not the culprits. Denying access to the information can prohibit effective customer service, yet full access also puts the company and customers at some level of risk.

Technology is available that can help to significantly mitigate risk of a company's

systems being breached. There are also solutions on the market that can prevent internal breaches by untrustworthy agents. Not every solution is 100 percent foolproof, but their mere existence on the network can help to prevent a certain amount of fraud.

Contact centers do not have to be the guilty parties when an online company is subject to fraudulent practices, but they can easily become the target if effective protections are not in place. As online shopping and other commerce continue to increase, the demand for secure solutions will also grow. Those that embrace the latest technology will be able to deliver the best experience.

Consumers Appreciate Useful Outbound Calls

One of the biggest areas of controversy in the area of telecommunications is the usefulness of telemarketing. While many consumers begrudge those dinner hour calls from companies they have no interest in working with, still others do buy the products and services offered in the calls, making them valuable to their parent companies.

Harris International recently completed a survey on behalf of speech technology company, [Nuance](#). The survey found that consumers do actually like receiving outbound calls from companies, as long as the information provided is useful. The other catch — it needs to be a company with which the consumer is already doing business.

According to this survey, more than 80 percent of respondents do not mind being called at home in the evening as long as it is to alert them to a potential threat of fraud, a product delivery or payment. Consumers also appreciate appointment reminders.

Harris International also found that most consumers expect that a company should solicit their permission before sending out proactive sales messages — even if they are recorded. At the same time, a lower propor-

tion reported that it was necessary to get permission for useful communications like service outages or travel updates.

Ian Turner, general manager northern EMEA of Nuance said, "The private and professional lives of today's always-on generation of consumers, is far busier and more complicated than ever before. Proactive outbound messaging can make their lives easier through measures such as timely reminders or helpful information alerts. This service is not invasive, and it has been well received by consumers who have come to value its efficiency."

While this survey revealed valuable information as to consumer preferences when it comes to telemarketing notifications, these preferences can change over time. For instance, if a consumer starts receiving calls

frequently from several different companies, the value of the information diminishes with each call.

One method to avoid oversaturation could be for companies to ask their customers what type of information for which they want to receive notification — such as fraud alerts — and what information they would prefer to find out on their own. This approach can not only help to contain outbound customer contacts, it also communicates how important the customer is to the company.

In this day of shrinking dollars, companies are seeking better ways to communicate with and sell to customers. When a company puts the customer first, their communications are more likely to be received positively to help drive revenue.

Canada No Haven for Telemarketing Fraudsters...

Fraudsters operating out of Canada who abuse telemarketing and other channels to rip off residents and businesses in other countries, like the U.S. can be prosecuted in Canada even if they leave their fellow Canadians alone. And they can no longer use legal advice as an excuse for their acts.

The Ontario Court of Appeal ruled recently that those who make false and misleading representations to the public can be prosecuted in Canada even if they make the representations only to people outside the country. A lower court had earlier decided that prosecution in Canada was possible only if some of the victims were located in Canada.

“The fact that the only victims are outside of Canada does not make the activity any the less unlawful or mean that no crime has been committed in Canada when there exists ‘a real and substantial link’ or connection to this country,” wrote the Court. “The principle of extraterritoriality has not prevented courts from taking jurisdiction over transnational offences whose impact is felt within the country.”

The Court of Appeal also ruled that an accused cannot rely on legal advice as a defense. Those engaged in fraudulent marketing practices often ask lawyers to approve their promotions or telemarketing scripts according to the Competition Bureau (www.competitionbureau.gc.ca), an independent federal agency. According to this decision, such legal advice cannot be used to excuse illegal activity.

The court decision came about from the case of an Ontario resident, David Stucky, who was accused of marketing lottery programs under names such as International Monetary Funding and Canadian Lottery Buyers Association that were alleged to have greatly exaggerated what consumers could win. They also falsely misled consumers

to believe that the promotions were affiliated with government.

Stucky was also accused of marketing sweepstakes offers to 200 countries that alleged to have provided recipients the false impression that they were to receive a \$5,000 or £3000 cash prize, or some other valuable prize. In reality, nearly every respondent received a predetermined prize of an inexpensive piece of jewelry. The Court of Appeal ordered a new trial.

The Competition Bureau has been very active in efforts to thwart telemarketing fraud. It is participant, along with the Royal Canadian Mounted Police and the Ontario Provincial Police in PhoneBusters, which runs Canada’s anti-fraud contact center.

“We are very pleased that the Court of Appeal recognized that the Competition Act applies to representations made to those outside of Canada,” said Andrea Rosen, Deputy Commissioner, Competition Bureau, “This ruling will enhance our ability to ensure that Canada will not be a haven for scammers targeting foreign victims.”

...But More Awareness Needed For Telemarketing Fraud’s Actual (and Huge) Harm

Yet in spite of successes such as the Stucky case and the ongoing enforcement and public information efforts by The Competition Bureau, PhoneBusters, and various provincial agencies, more needs to be done to combat fraudulent and unscrupulous telemarketing in Canada if not



elsewhere. Competition Bureau sources say that courts need to hear the harm that telemarketing scams cause to not just the direct victims of their crimes but also to the legitimate contact centre business, so that tougher sentences can be imposed to deter this harmful criminal activity.

To get that message across, Thomas Steen, strategy policy advisor at The Competition Bureau suggests the teleservices industry can help through identifying the harm that fraudulent telemarketers cause to their industry and by calling for stiffer sentencing, which will also encourage more enforcement activity through public information campaigns. The industry would not be able to intervene as the cases taken are criminal. Yet it may be possible someone from the industry could testify in a sentencing hearing about the harm caused by fraudulent telemarketing.

“The victims of telemarketing fraud are not just the individuals that were targeted by those responsible, but it also includes the entire telemarketing industry and the many people who work in it,” Steen points out. “The few who perpetrate telemarketing fraud have made it difficult for the many businesses to use telemarketing to reach out to consumers and businesses, and for them to benefit from the goods and services offered by telemarketers by giving the channel a bad reputation. The courts need to hear this so that they can make decisions that reflect the real harm that is being done.”

Communications-Based Process Automation (CBPA), part 2



By **Tim Passios**,
Director of Product Management,
Interactive Intelligence

There is a huge rush to streamline operations as a result of the current economic situation. However, every company should be looking at ways to run their business with less cost and higher efficiency at all times. It helps prepare a company for lean times and ensures they will get the most reward during up cycles.

When margins get thin or revenues start to fall, action needs to be taken. What is the right action? Do we cut staff? If so, when? How many? These are hard decisions. However, now is the time to make the right decisions so future decisions become easier.

Perhaps the most overlooked way to improve business conditions is by optimizing and automating business processes. Even focusing on just a few processes can have a dramatic effect on a company's bottom line.

Everyone is cutting staff now because they didn't optimize their processes years ago. In 2004–2005, they could have been running with 10–50% fewer staff members. They would have made more profits and been in a stronger position to handle either a significant increase or decrease in sales volume — or they could have pursued additional markets. Like a bucket full of holes, valuable resources are being wasted instead of being used productively.

In last month's article, we talked about Communications-Based Process Automation (CBPA) and how it supports automating virtually any business process. But is this the time to be reviewing processes for automation? Absolutely! Here's why:

First, automating repetitive manual, tedious procedures focuses your staff on making money. Most jobs have some repetitive tasks. For example, once a Return Merchandise Authorization (RMA) is issued, a repetitive set of tasks could be automated. Shipping replacements, checking for duplicates, notifying the returns depart-

ment, and charging a credit card if the item is not received within the time limit are examples that could occur automatically when an agent enters an RMA.

Likewise, the initial review of an insurance claim could look up the policy details of the claim and examine whether it meets one of the hundreds of criteria that generate an automatic approval. Claim history could be examined to determine if the deductibles have been reached. Instead of agents looking at every claim, they could review the smaller number of claims that don't qualify for automatic approval. That represents a potentially huge savings in the number of employees needed to complete that task.

Second, businesses risk losing staff with valuable knowledge and experience. Documenting and incorporating that knowledge into system processes protects your business from losing valuable operating information. Systematizing your best employees' processes will increase the productivity of other employees. Imagine if the successful techniques of your most profitable salespeople could be utilized by new or less experienced salespeople. You could evaluate sales performance with a more balanced measurement.

Third, many tasks function much better as automated processes. Processes like expense report approval or initial insurance claim review both require a complicated matrix of overlapping criteria to be properly applied. The work of building these complex matrices can be done once, tested, and then released for use by all employees in an automated

workflow. When changes or corrections occur, only one update is needed.

One of the unique features of CBPA is the ability to automate most (if not all) of the business process. Most existing business process automation "solutions" serve a particular niche or act as an extension of another product such as imaging/document management solutions.

The techniques and technologies that serve as the foundation of CBPA are rich and well developed. Contact centers have refined these technologies because increasing utilization, improving revenue, and reducing costs even \$.01 per interaction snowballs into huge savings. The ability to look deeply into processes and optimize revenue and cost is critical.

Knowing the skills and availability of each employee, routing and queuing work to the next available employee and recording the time for each step (including latency) are vital techniques the contact center has developed, and that businesses should be adopting without delay. Being able to monitor the progress of each process in real-time and to take proactive corrective action is something most businesses can only dream of. And to be able to historically report on the individual or aggregated results for accountability is also uncommon. How many times have you asked, "How is everything going?" and heard back, "Fine"? Couldn't everything be improved in some way? Yes, but most people are at a loss to tell you what they would change. Managers don't have the information they need to even know where problems exist. They just hope for the best.



'Don't Call/Contact Us... ...'We'll call/contact you'.

And that catchphrase, updated to today's times, is what CRM messaging and notification is about: reaching out to customers via voice, e-mail, and SMS/text messages instead of waiting for them to contact your organization.

The object is to enhance customer retention through better service while lowering costs through avoiding inbound calls: including paying for idle agents and infrastructure that must be there when and if customers dial or ping in.

CRM messaging and notification tools deliver just that. SoundBite Communications held a webinar with Forrester Research on this subject that revealed interaction costs of just 10 cents for outbound messages compared with \$5 per live agent handling.

Yes, this notion seems to go counter to the dominant customer ethos, namely that they are control, and that they do not to be bothered and will contact you if they need. Yet it addresses the other side of this same coin in that customers want and expect that you anticipate their needs by giving them information that is important to them.

Popular messaging/notification uses include but not limited to credit card fraud, over-limits, and limit increases, collections/past due accounts, flight cancellations, appointment reminders, service calls, and marketing offers. Datamonitor predicts that spending in hosted outbound automated voice applications and in services will grow by 18 percent per year between 2009 and 2014.

Joe Outlaw, principal analyst, Frost and Sullivan is seeing more messaging and notification for the above reasons aided by the increasing sophistication of these applications. For example when an outbound voice message reaches a called party they can be connected immediately to a live agent who can change an appointment or accept a payment.

"In this economy waiting for customers to call, that is being reactive only, isn't

going to be good enough," says Outlaw. "Firms should not just sit there and hope their customers will stay with them. They need to reach out in a way that reassures customers 'we appreciate your business, and continue to be at your service.'"

Organizations that do just that are having success. Ivy Tech Community College achieved a record 13 percent enrollment increase while saving at least \$15,000 per year over live agent with Vontoo's voice messaging system. The college has even seen drop-outs re-apply, saying that the reminder calls helped them get back on track.

QualxServ, which provides field installation and repair services found that Varolii's Total Solutions messaging tool enabled it to greatly reduce the volume of service calls, which cuts costs, avoids fuel waste and in doing so minimizes harmful emissions. The application transmits automated outbound calls to confirm them before sending out technicians.

"In our industry, customer service can make or break an organization, and effective communication is key for us," says Ted Parker, Information Technology at QualxServ. "We're heavily evaluated on response time and whether we deliver a consistently superior customer experience. Using Total Solutions, we now contact our clients' customers within four minutes of receiving a service request."

The SMS Trend

By far the most delivery method of CRM messaging and notification is by voice. Yet it is being supplemented, used instead of, and may be eventually supplanted by SMS i.e. text messaging.



SMS costs less than voice, is not as obtrusive i.e. it doesn't interfere with calls, and it is an ideal means to reach out to the growing legions of mobile users, especially the next generation. It is also more effective as a marketing channel than other text-based means. A 2008 report by the Direct Marketing Association reveals that SMS generated far more responses – 70 percent – compared with 30 percent to e-mail offers.

Terry Saeger, senior vice president and general manager Volt Delta Resources sees SMS growing faster than voice messaging because of shifting demographics and simplicity of communication. These two factors are driving SMS growth worldwide, but faster outside of North America.

There are brakes on SMS demand and utility, mainly the end-user fees imposed by carriers to receive such messages. While individual power users can buy unlimited texting packages, those that only use or have need of it infrequently may and many no doubt have turned off the feature altogether.

There may be a solution on the horizon known as Free to End User (FTEU) billing, which works the same way as toll-free calling: the company making the outbound contacts pays for the transmission. The only barriers appear to be the ability of carriers to create billing records for FTEU and then driving those charges back to the message owners/marketers, and high profitability of the current pricing regime.

"FTEU will create new marketing and proactive communication opportunities for companies, but until it becomes ubiquitous among all carriers it will have somewhat limited appeal," Saeger points out. "I think market pressure from major direct marketers will drive the carriers



to enable FTEU eventually but it is difficult to say when this will happen.”

Frost's Outlaw is seeing SMS/text messaging growing, driven in part by its convenience, and compatibility with an increasingly informal and mobile life style. Yet will it displace voice as the message tool of choice? Not for a long time, if at all, according to a December 2008 contact center end user survey by the research firm.

“The majority of customer contacts are coming in via telephone, e-mail, and Web,” reports Outlaw. “Only about 10 percent of the respondent contact centers even offer SMS/text as a channel for customer interaction.”

Blended Automated Voice/SMS Solutions

Contact center suppliers have been adding more messaging and notification functionality in multiple modes: voice, SMS, and e-mail, with ease of management to select the right channels for customers' preferences. For example Interactive Intelligence has incorporated outbound and inbound SMS in its multichannel Customer Interaction Center platform. The solution permits both automated and live-agent-sent SMS messages as well for agents to receive them on the same way as other media types.

The latest release of Varolii's hosted SMS solution permits organizations to use one channel to drive communication in another. One example is sending a voice alert about a cancelled flight and rebooking options, and then sending the new confirmation code via text message so the consumer doesn't have to write it down.

Varolii's tool also lets organizations tailor any aspect of their contact strategy according to individual or group preferences, demographics and responses to past campaigns. A pharmacy could for prescription pick-up reminder messages, send text messages first followed by phone calls to Generation Y consumers, send landline voice calls followed by text messages to Generation X consumers, and send only landline calls to seniors.

Automated outbound solutions are becoming customized to meet individual market needs. Avaya has done just that for its new outbound messaging/notification functionality, Proactive Outreach, for what Datamonitor reports are two early adopters of this technology, financial companies and healthcare providers, which deal with large volumes of incoming customer calls.

Financial firms can utilize Proactive Outreach for Financial Services to cover customers from acquisition to retention to collections. Healthcare firms can connect into Proactive Outreach for Healthcare automates and improves patient care interactions including welcome calls, appointment reminders, flu shots and checkups, and for past-due payments.

Volt Delta is planning a new voice and SMS notification program aimed at the growing number of wireless users, a small but steadily increasing cadre of which no longer have landline phones. The new offering will be tapping the directory assistance database managed by LSSI, a sister company which for North America has over 100 million cellphone numbers and 144 million residential and business listings. The firm is currently building self-service tools to enable its customers to schedule and manage their campaigns.

“Consumers want to be touched in many different ways,” says Volt Delta's Saeger. “I have an iPhone and it offers me many ways to communicate, and to be communicated through graphical interfaces and SMS. A lot of times I'd rather have that than a voice message.”

Avoiding Crossing The Messaging Line

There is the danger that companies will overuse messaging and notification to the point where it turns off customers altogether regardless of how beneficial the purposes.

This line has already been crossed in telemarketing applications. Effective September 1, 2009 pre-recorded sales voice messaging is banned in the U.S. unless firms have signed written consent from

customers. Saeger believes that the new regulation, enforced by the Federal Trade Commission has the potential to dampen demand for that modality and in response will drive even more use of SMS.

“The FTC regulations should have the desired negative impact, which is to stifle the amount of marketing voice messages going out,” says Saeger. “The rules are onerous and potentially damaging to the industry, but there are companies who abuse it and in fairness some regulation is needed. Quality companies like Volt Delta will adapt to the rules and continue to provide multi-modal communication technologies for their customers.”

SoundBite is taking a proactive approach with the new regulation. It is helping companies comply with the ruling by gathering approvals from existing customers, determine the best channels to use to reach them, and be more effective in their marketing initiatives.

“Each consumer has their own communication preferences and, even within a given consumer, their preference will vary by situation,” says Mark Friedman, chief marketing and business development officer at SoundBite. “Our experience has shown that communicating with consumers via their preferred channel, or a combination of channels, is most effective.”

The following companies participated in the preparation of this article:

Avaya
www.avaya.com

Interactive Intelligence
www.inin.com

SoundBite Communications
www.soundbite.com

Varolii
www.varolii.com

Volt Delta
www.voltdelta.com

Vontoo
www.vontoo.com



Customer Interaction Solutions Magazine's 24th Annual Top 50 Inbound Teleservices Agencies Ranking

This is the twenty-fourth year Customer Interaction Solutions magazine brings you its "Top 50" Teleservices Agency Ranking. In this issue, we're presenting the "Top 50" inbound portion of the ranking. (The outbound portion of the ranking was highlighted in the March 2009 issue.) Since its inception in 1986, our "Top 50" ranking has been used as the benchmark for choosing large-capacity/sized teleservices agencies.



Ranking Basis

Since the basis of our ranking is company size, Customer Interaction Solutions uses a measurable, third-party-verifiable aspect of teleservices to arrive at our list of the "Top 50" agencies: the number of minutes each agency was billed by each of its phone companies for telephone service for 12 months, encompassing November 2007 through October 2008. We have found this to be an accurate and reliable reflection of the amount of teleservices each agency does, and therefore, provides a true reflection of its size.

Qualification Criteria

To qualify for inclusion in this year's "Top 50," the agencies had to answer a questionnaire detailing the nature of their business and listing their number of billable minutes between November 2007 and October 2008. The questionnaire had to be verified with the signature of each agency's president/CEO. In addition, each agency had to submit a letter of verification from each of its telephone service providers certifying the number of minutes for which it billed the agency during the designated period. (Our sincere gratitude is extended to all the carriers for their thorough and expeditious provision of these data.)

Exceptions

Agencies that did not supply this third-party verification were disqualified, with the exception of three circumstances: 1) a client of the service agency was billed directly for its telephone service and would not provide a letter of verification for anonymity reasons; 2)

part of the billable minutes were with a foreign telecommunications carrier that could not provide the data by the deadline; 3) legitimate business situations prevented an agency from obtaining verification from certain of its carriers or a certain carrier. For each of these circumstances, we required a letter of explanation and signed verification of billable minutes pertaining to the explanation from the president/CEO of the agency. You will find an asterisk next to the name of all "Top 50" agencies that supplied a portion of their verification from their president/CEO due to one of the three circumstances identified above.

In all cases, from the questionnaires to the letters of verification, the agencies were warned that should falsification be detected, they would be disqualified from this and all future "Top 50" rankings. And indeed, Customer Interaction Solutions magazine's editorial staff carefully verified calculations, discrepancies and other aspects of the supplied information to ensure that this ranking is of true value to you.

Understanding the Listings

As you read through the following list of "Top 50" agencies, you will notice that we have provided a numerical ranking of 1 through 35 (1 being the largest), but have not revealed the number of billable minutes used to arrive at this ordering. This was done out of respect for the confidential nature of this information to the many agencies included here that are privately held corporations. This year, only 35 companies met our minimum number of billable minutes to be ranked in the U.S. domestic inbound "Top 50." Twelve companies met the minimum criteria to be included in

the international category.

You will notice that the "Top 50" inbound has been divided into three categories: A, B, C and D. Category A is composed of U.S. service agencies whose primary business function is provision of telemarketing services for outside firms. If you are considering an international teleservices campaign, Category B consists of international teleservices agencies. Again this year we have separated out all international teleservices done by U.S. agencies and ranked those companies' international minutes in the International category, Category B. Domestic companies that are also ranked in the International category are marked with a dagger (†) in their domestic ranking.

Category C, which was introduced in 1998, is comprised of companies that provide purely interactive inbound services (no live operators). We added this category to reflect the growing demand for such interactive inbound services. Companies that are in the Domestic and International categories that are also ranked in the Interactive category are marked with a double dagger (‡) in their Domestic and International rankings.

Finally, Category D is the list of Top 50 Global Performers, which ranks companies according to their aggregate outbound, inbound, interactive inbound and domestic and international minutes.

We hope you will use this "Top 50" feature, both inbound and outbound portions, for your outsourcing needs throughout the year, and be sure to tell the companies you found them in Customer Interaction Solutions.



**Category A -
U.S. Domestic**

1. ACS Inc.
(Dallas, TX) * † ‡
www.acs-inc.com

2. Teleperformance Group
(Paris, France) † ‡
www.teleperformance.com

3. Teleperformance USA
(Salt Lake City, UT) † ‡
www.teleperformance.com

4. APAC Customer Services, Inc.
(Bannockburn, IL) * † ‡
www.apaccustomerservices.com

5. NCO Customer Management
(Horsham, PA) * †
www.ncogroup.com

6. GC Services Limited Partnership
(Houston, TX) * † ‡
www.gcserv.com

7. Affina
(Peoria, IL) * † ‡
www.affina.com

8. eTelecare Global Solutions
(Scottsdale, AZ) * † ‡
www.etelecare.com

9. Cross Country Automotive Services
(Medford, MA) † ‡
www.crosscountry-auto.com

10. Telvista, Inc.
(Dallas, TX) ‡
www.telvista.com

11. The Connection
(Burnsville, MN) * ‡
www.the-connection.com

12. TCIM Services, Inc.
(Wilmington, DE) *
www.tcim.com

13. DialAmerica
(Mahwah, NJ) * ‡
www.dialamerica.com

14. Charlton
(Madison, WI)
www.tcgcorp.net

15. Telerx
(Horsham, PA) * † ‡
www.telerx.com

16. American Customer Care, Inc.
(Bristol, CT)
www.americancustomercare.com

17. Synergy Solutions, Inc.
(Scottsdale, AZ) * ‡
www.synergysolutionsinc.com

18. AnswerNet
(Willow Grove, PA)
www.answer.netnetwork.com

19. Hamilton Contact Center Services
(Aurora, NE)
www.hamiltontm.com

20. O'Curran, Inc.
(Draper, VT)
www.ocurance.com

21. Alta Resources
(Neenah, WI) *
www.altaresources.com

22. Americall Group, Inc.
(Naperville, IL), a
TelePerformance Company
www.americallgroup.com

23. OKS Ameridial
(North Canton, OH)
www.oksameridial.com

24. Skybridge Marketing Group
(Greenfield, MN) †
www.skybridgemg.com

25. Influent
(Dublin, OH) * †
www.influentinc.com

26. RDI Marketing Services
(Cincinnati, OH) * ‡
www.rdimarketing.com

27. TMS Health
(Boca Raton, FL)
www.tmshealth.com

28. InService America
(Forest, VA)
www.inserviceamerica.com

29. Millennium Teleservices LLC
(Edison, NJ)
www.mmtel.com

30. Thomas L. Cardella & Associates
(Cedar Rapids, IA) *
www.tlcassociates.com

31. XO Interactive
(Beaverton, OR) ‡
www.xo.com

32. Power Direct
(Cleveland, OH)
www.power-direct.com

33. IMC Teleperformance
(Seoul, KR)
www.imctp.co.kr

34. Teleservices Direct
(Indianapolis, IN)
www.teleservicesdirect.com

35. 121 Direct Response
(Philadelphia, PA)
www.121directresponse.com

**Category B —
International**

1. Teleperformance Group
(Paris, France) ‡
www.teleperformance.com

2. NCO Customer Management
(Horsham, PA) *
www.ncogroup.com

3. Teleperformance USA
(Salt Lake City, UT) ‡
www.teleperformance.com

4. eTelecare Global Solutions
(Scottsdale, AZ) * ‡
www.etelecare.com

5. ACS Inc.
(Dallas, TX) * ‡
www.acs-inc.com

6. APAC Customer Services, Inc.
(Bannockburn, IL) * ‡
www.apaccustomerservices.com

7. Skybridge Marketing Group
(Greenfield, MN)
www.skybridgemg.com

8. 24-7 Intouch
(Regina, SK)
www.24-7intouch.com

9. Cross Country Automotive Services
(Medford, MA) ‡
www.crosscountry-auto.com

10. Affina
(Peoria, IL) * ‡
www.affina.com

11. Telerx
(Horsham, PA) * ‡
www.telerx.com

12. Influent
(Dublin, OH) *
www.influentinc.com

**Category C —
Interactive Inbound**

1. XO Interactive
(Beaverton, OR)
www.xo.com

2. Teleperformance Group
(Paris, France)
www.teleperformance.com

3. Teleperformance USA
(Salt Lake City, UT)
www.teleperformance.com

4. ACS Inc.
(Dallas, TX) *
www.acs-inc.com



5. GC Services Limited Partnership
(Houston, TX) *
www.gcserv.com

6. APAC Customer Services, Inc.
(Bannockburn, IL) *
www.apaccustomerservices.com

7. Voxdata
(Toronto, ON)
www.voxdata.com

8. Cross Country Automotive Services
(Medford, MA)
www.crosscountry-auto.com

9. Affina
(Peoria, IL) *
www.affina.com

10. Alta Resources
(Neenah, WI) *
www.altaresources.com

11. Telerx
(Horsham, PA) *
www.telerx.com

12. eTelecare Global Solutions
(Scottsdale, AZ) *
www.etelecare.com

13. DialAmerica
(Mahwah, NJ) *
www.dialamerica.com

14. Synergy Solutions, Inc.
(Scottsdale, AZ) *
www.synergysolutionsinc.com

15. The Connection
(Burnsville, MN) *
www.the-connection.com

16. Telvista, Inc.
(Dallas, TX)
www.telvista.com

17. RDI Marketing Services
(Cincinnati, OH) *
www.rdimarketing.com

18. American Customer Care, Inc.
(Bristol, CT)
www.americancustomer-care.com

**Category D —
Global Aggregate Ranking**

1. Teleperformance Group
(Paris, France)
www.teleperformance.com

2. ACS Inc.
(Dallas, TX) *
www.acs-inc.com

3. Teleperformance USA
(Salt Lake City, UT)
www.teleperformance.com

4. NCO Customer Management
(Horsham, PA) *
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5. XO Interactive
(Beaverton, OR)
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www.americallgroup.com

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13. Affina
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14. Influent
(Dublin, OH) *
www.influentinc.com

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(Dallas, TX)
www.telvista.com

16. TCIM Services, Inc.
(Wilmington, DE) *
www.tcim.com

17. Charlton
(Madison, WI)
www.tcgcorp.net

18. The Connection
(Burnsville, MN) *
www.the-connection.com

19. Synergy Solutions, Inc.
(Scottsdale, AZ) *
www.synergysolutionsinc.com

20. American Customer Care, Inc.
(Bristol, CT)
www.americancustomer-care.com

21. Telerx
(Horsham, PA) *
www.telerx.com

22. AnswerNet
(Willow Grove, PA)
www.answer-netnetwork.com

23. Skybridge Marketing Group
(Greenfield, MN)
www.skybridgemg.com

24. OKS Ameridial
(North Canton, OH)
www.oksameridial.com

25. Teleservices Direct
(Indianapolis, IN)
www.teleservicesdirect.com

26. Hamilton Contact Center Services
(Aurora, NE)
www.hamiltontm.com

27. Alta Resources
(Neenah, WI) *
www.altaresources.com

28. Voxdata
(Toronto, ON)
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Enabling The Automated Speech Dialogue

There continues to be a compelling case for deploying and sourcing advanced speech technologies, namely automated speech recognition (ASR) a.k.a. speech rec self-service in contact centers. ASR arguably enhances customer satisfaction and retention—by eliminating annoying queues—while slicing per-interaction costs to 50 cents compared with \$5 for live agents.

For such reasons Michael Perry, Director of Product Management - Speech and Interactive Solutions, Avaya has seen growing interest and demand for ASR self-service, driven by the economy, and increasingly sophisticated speech applications, little deterred by added expense.

“While the cost associated with deploying speech enabled applications is still higher: 20 to 80 percent than deploying DTMF touch-tone only the benefits still greatly outweigh the costs involved,” says Perry. “Speech opens up a whole new category of customer self-service transactions that you simply can’t do with touch-tone like capturing their address.”

Joe Outlaw, principal analyst with Frost and Sullivan, reports that firms continue to buy into speech technology. Based on a December 2008 contact center end user survey by the research firm, 20 percent of respondents said all new applications will be speech enabled while 50 percent reports that some of their new applications would have that feature. The survey also found larger contact centers and those in travel, hospitality, communications, and outsourcing expressed the strongest plans to build all new applications with speech interfaces.

“Upon closer examination and facing tight budgets many businesses are finding that the case for speech as an upgrade from traditional DTMF is not as clear as it could be,” explains Outlaw. “The ROI in terms of higher call deflection rates is not a guarantee. You can have a well-

designed DTMF application that has a high acceptance which when converted to speech may not deliver increased usage.”

For all these benefits and feasibility, speech rec has been deployed in only a minority of contact centers. These rates ranging from four percent to 25 percent.

“Speech recognition should have been deployed much more widely now than it has been because of its cost containment and customer service benefits,” says Ravi Narayanan, Vice President, Convergys Product Management. “Yet high costs and slow installation times have crippled it. We must lower the barriers to speech recognition.”

Enabling the technology

Convergys has been doing just that. It has been designing and deploying statistical language models for their clients’ verticals. These are based on commonly used words, phrases and vocabulary found in those domains, drawn from the firm’s hundreds of deployed speech applications. That has accelerated speech implementations without ‘reinventing the wheel’ for each new application, thereby avoiding spending time and money unnecessarily; the teleservices firm utilizes ASR engines from various vendors.

Convergys can refine and render dynamic speech applications with a combination of its Dynamic Decisioning Solution (DDS) platform and the Intervice Voice Portal (IVP), an interactive multi-modal self-service platform. DDS enables dialogs to adapt to user preferences, business requirements

and other dynamic conditions without having to re-write the dialog application. This lets firms adapt their speech recognition applications for changing conditions, and new products and services without creating new libraries and dialogues.

Convergys fine-tunes their speech applications by analyzing mistakes that the speech recognizer applications make. For example, if it seems to ‘hear’ ‘Houston’ when the caller says ‘Boston’, the tuning process will update the recognition parameters to correct the problem. Thus on subsequent calls, the correct interpretation of the caller’s utterance will be made.

Convergys has also developed unique technologies to leverage the large pool of live agents into the automated dialog process. When the recognition engine is having problems understanding a caller, an agent can be automatically brought by the DDS into the call to monitor the customer’s responses and correct any mistakes made by the ASR. This avoids frustrating callers by having to ask them to repeat their responses. Meanwhile the speech recognition parameters are updated such that problems such as the ones solved by the agent do not occur again.

These processes and enhancements have enabled Convergys to cut deployment times by 30 percent and sliced costs by a similar amount. They have also significantly improved customer satisfaction rates.

Boosting call completion rates enhances the case for ASR by increasing the net



savings. Nuance has been climbing over what it argues is the single biggest hurdle to it and that is coping with the out-of-grammar 'ahhs' and 'umms' and other statements of intent such as 'I'd like to..' that the applications pick up then stall because they do not understand what is being said.

To scale these obstacles the firm has come out with SmartListener, a new tool that uses an adaptive grammar engine that will automatically create an adaptive grammar which has all the words, phrases, and hesitations people utter before and after the main thrust of the call. This 'teaches' the speech applications the languages of customers via standard or SRGS grammars so that it recognizes the key statements from the supporting verbiage.

The results from SmartListener are impressive. It dramatically decreases retries and confirmations through an immediate error rate reduction of up to 30 percent out of the box, which leads to fewer costly transfers to live agents.

Loquendo is addressing out of grammar-caused poor completion rates in Loquendo ASR 7.7. It has an improved confidence score algorithm that increases separation between in-grammar and out-of-grammar utterances, resulting in more robust dialogues.

Cost-Effective Sourcing

ASR has long been available by buying premises licenses from specialized suppliers directly or by acquiring them through purchasing contact center platforms that resell those applica-

tions. Its capabilities can also be obtained by outsourcing this functionality to specialized companies.

Microsoft offers another approach: enabling its partners to offer ASR via its Office Communications Server 2007 (OCS) Speech

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Server. Partner IVR vendor Aumtech reports one of its customers, JetBlue Airways, realized significant cost savings and shortened integration time from the Microsoft solution over other offerings. Aumtech tapped its Media Resource Control Protocol (MRCP) Connector, which is an open standards based tool to use Microsoft's speech engines on any MRCP-compliant IVR system. The speech engines will also be supporting more languages: to 26 by 2010 from 12 currently.

There are new applications aimed at increasing ASR ROI that improves cost effectiveness. Avaya has connected into its

new Voice Portal 5.0 release a tracing tool that detects where speech system users are calling from. It can be used to fine-tune targeted direct response campaigns or respond to power outages.

West Interactive is developing caller experience personalization applications that can understand for example what products particular callers may have to ensure that offers will be tailored around them. It has also created several multilingual and multi-cultural speech solutions.

"English speakers globally interact with dialogs differently depending upon their country of origin, culture

and cultural norms," explains Aaron Fisher, Director of Speech Services, West Interactive. "Our new solutions are aimed at helping them use speech applications so that they will complete more interactions with them."

The following companies participated in the preparation of this article:

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Brendan B. Read,
SENIOR CONTRIBUTING EDITOR



Offshoring and Homeshoring

There has been a lot of fanfare about contact center work being brought back to the U.S. from other countries, most notably India. Yet unless the additional demand is managed effectively, the result could be higher costs, less service, and more automation and fewer jobs.

The key reason for this return is the apparent inability of offshore agents to provide high quality customer-satisfying-and-retaining service that trumps cost arbitrage. The market for qualified affordable offshore English-speaking labor that are willing to work in contact centers appears to be shrinking, leading to rising compensation, turnover, and overall operations costs.

India's workforce elite are leaving the contact centers and entering higher-level BPO and IT fields that are better paid, have more sociable hours i.e. daytime rather than night shifts, and are more prestigious. Consequently contact centers have had to drill deeper into the labor markets and many of the individuals hired may not have as solid English language skills and are less able to relate to those of American, British, Canadian and other cultures as their predecessors.

The Philippines is at risk of risk of contact center saturation because its labor market is much smaller. The nation's appeal is based on low costs coupled with a more customer-service-oriented culture and a greater exposure to and affinity with Americans compared with India thanks to a long and recent history with the U.S. Yet even there at a certain point firms will have to draw from less qualified labor pools that will result in customer service issues.

A few words on culture or cultural affinity are in order. It is not, as others may perceive, about nationality or race. It is instead about understanding and empathizing with others derived from shared experiences. You can't gain this from watching TV or training videos, or linguistic classes which some Indian outsourcing firms have utilized to in attempts to resolve this issue. You can only obtain this insight by living amongst others and immersing yourself in their culture. That is why many immigrants to the U.S. face difficulties returning home even for visits: they have become 'Americanized'.

There is another side of the issue, though, and that is American customer service is often not worth having a flag-waving parade about. There are many horror stories about customers' experiences with poorly selected, educated, trained, and motivated U.S. contact center agents. U.S. contact centers

suffer from high turnover, much more than one would expect in a difficult economy because they are not often managed and supervised effectively. Yet customers are rightly demanding better quality agent-delivered service to handle more challenging issues, now that self-service has taken over the simpler matters.

The saving grace for the American industry, for now, is that self-service has not become as popular as projected thanks to poor IVR DTMF implementations and expensive and slow speech recognition technology development and deployment. Deployments will grow though thanks to new processes like outbound notifications, standardized language libraries, speech becoming parts of UC solutions, and to value-rich and affordable speech outsourcing. And when the choice is between dumb machines and well...the machines win because they cost less to operate.

To manage and deliver high quality yet cost-effective live agent customer service and sales organizations are increasingly turning to 'homeshoring' i.e. home-based agents. The homeshore option has proven its ability to attract better-performing agents while lowering costs by slicing facility expenses, resulting in higher productivity than bricks-and-mortar operations. The net benefits range from \$10,000 to \$20,000 per agent/year. And it is part of the environmental, energy, and traffic solutions by eliminating commuting.

All the key issues with homeshoring: voice/data connections, security, monitoring, supervision, training and staff communications have been sufficiently resolved to remove them as barriers. There is now no reason not to move agents from bricks-and-mortar centers back home.

Going forward there will still be offshoring, though at lower levels because many firms are satisfied with its cost/quality equation. There will also be if fewer live agents because self-service cannot replace people where high thought and touch are needed. And some of those individuals will be traditional centers mainly because some organizations don't want to change. Yet more agents will be at home, because there is no place like it to supply quality, cost-effective customer care and sales.

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