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CALL CENTRE - - COMPUTER TELEPHONE INTEGRATION

SUMMARY

Call centre largely came into being as a result of consumer needs converging with enabling technology – and by the companies recognising the revenue opportunities generated by meeting those needs thereby increasing customer satisfaction. Regardless of the specific application or activity of a Call centre, customer satisfaction with the interaction is critical to the revenue generated or protected by the Call centre. Physically, Call centre set up is a place that includes computer, telephone and supervisor station. Call centre can be available 24 hours a day - when the customer wants to make a purchase, needs information, or simply wishes to register a complaint.

1. INTRODUCTION

From a broad business perspective, a Call Centre is an operation that combines voice communications and data processing technology to enable an organisation to implement critical business strategies or tactics aimed at reducing costs or increasing revenues.

Physically, a Call Centre is a place where a group of people handle large volumes of incoming or outgoing calls for the purpose of sales, marketing, customer service, technical support, or other specialised business activities. A Call Centre is typically set up as a large room with workstations that include a computer, a voice terminal connected to an ACD, and one or more supervisor stations. The Call Centre may stand alone, or may be linked with other Call Centres. It may also be linked to business data network, including mainframes, microcomputers, and local area networks.

2. IDENTIFYING CALL CENTRE OPPORTUNITIES

2.1 Vertical Industries

To begin identifying potential new customers for Call Centre sales, look first at the industries that make the most extensive use of Call Centres. BCS Market

Management has identified these industries, in order of their extent and complexity of usage, as the following:

Banking & Finance – banks, insurance companies, investment firms.

Call Centres may be used to transfer funds, initiate investments, order and activate ATM or credit cards, change policy information, check account balances, verify credit, confirm transactions, and collect funds.

Transportation – airlines, travel agencies, railway services, public transport, shipping and freight companies. Call Centres can provide callers with fares and schedules, reservations, confirmation of travel or shipping arrangements, billing and account information, frequent flyer balances, and traces for baggage or shipments. An international airline has implemented Call Centres to improve agent productivity and reduce the incidence of abandoned calls.

Retail, Wholesale, and Entertainment – general goods, groceries, discount outlets, convenience stores, department stores, hotels, motels, and ticket offices. Call Centres enable callers to purchase products or tickets, make reservations, schedule deliveries, make account inquiries, authorise returned materials, and register products for warranty. The White Swan Hotel in China uses Call Centre technology to improve guest services including voice messaging and room service.

Education, Government, and Utilities – universities, hospitals, government agencies, postal services, public utilities such as gas and electric companies. Callers can request information and conduct transactions.

Communications – communication services companies, cellular telephone companies, newspapers, cable television, local telephone service providers, and paging companies. Call Centres can be used to order or change services or subscriptions, schedule service, provide account information, and answer customers' service questions.

To identify specific prospects within these industries, look most closely at the top 20% of companies in each industry; these are the organisations most likely to be establishing or expanding *Strategic Call Centres*.

2.2. Horizontal Applications

After you have identified prospective Call Centre customers in the targeted vertical industries, you can begin to identify potential Call Centre needs for your prospects by considering the common uses known as horizontal applications. While the products and services vary, the general functions of the Call Centres remain the same. These horizontal applications include customer service, product/service information, order processing, billing/account information, reservations, transaction processing, maintenance/customer support, Help Desk, sales support, and account management. There is some overlapping between these horizontal functions, depending largely on the terminology used by your customer and the driving philosophy or business needs to establish the Call Centre. And while our concentration is on Call Centres that primarily handle inbound calls, that is, calls that are generated by our customer's customer, some also incorporate outbound calling as well.

Customer Service

Customers are usually given a free call number to ask questions about products or services. Customer service Call Centres may be defined by a variety of primary customer service functions, including:

- Tracking the status of orders
- Handling complaints about products, services, or the treatment received from the company's employees in a transaction
- Scheduling service calls and/or providing information for the customer to accomplish minor repairs without a field service call
- Location of the nearest dealer or service centre, often called an "Office/Dealer Locator Service Call Centre"

- Outbound calling to customers to assess the company's performance by following up on a field service call, verifying that a product was received, or other similar questions to determine customer satisfaction.

Customer service Call Centres can also gather a wealth of valuable strategic information leading to product/service enhancements, new products/services to fill market needs, and operational improvements.

Product/Service Information

Many companies use Call Centres to provide product-specific, often pre-purchase information. Customers can call to obtain information about product features, product models, colour, size, availability, and pricing. Your customer may consider this function as part of the customer service, or as part of order processing, or as a "stand-alone" Call Centre application. Depending on your customer's product or service and sales and distribution processes, the caller can be directed either to the nearest dealer, store, or service provider, or an order can be taken directly.

Help Desk (technical)

Customers call to request technical assistance for a product. This can include requesting instructions for use, assembly, installation, or repair. Or, it can involve product registration and warranty service. In some instances, a Help Desk Call Centre is similar to a customer service centre, providing answers to relatively simple questions ("my washing machine is over flowing, what do I do to stop it?"). Generally, this kind of help is provided as customer service and, therefore, for free by the company.

The advent of highly technical products and services, like computers and computer software in a broad marketplace has created a new type of Help Desk Call Centre application which in itself becomes a business

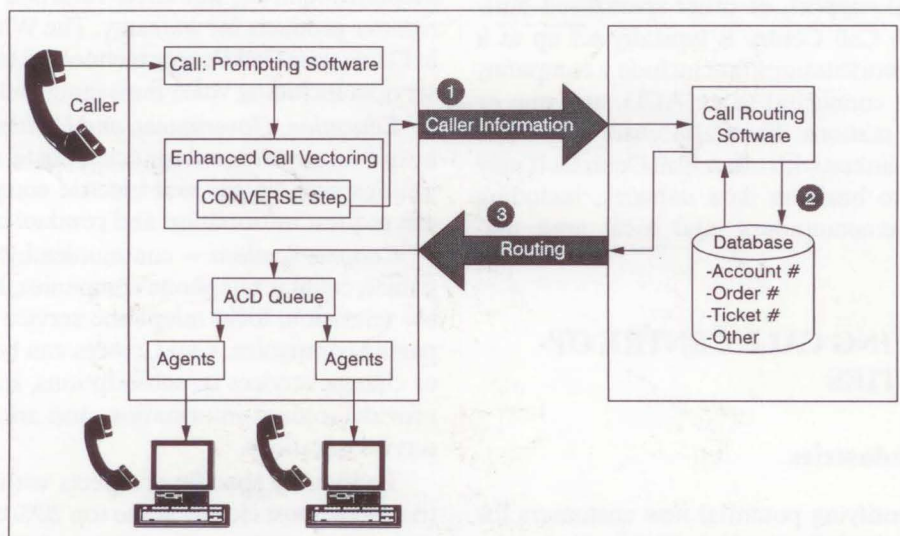


Figure 1 - Custom Call Routing Application

or potential profit centre. In this instance, the callers are charged for the time required to solve their problem or answer their question, and the Call Centre staff are highly trained technical experts.

Telemarketing

By definition, telemarketing is any marketing or sales activity that is conducted over the telephone. Therefore, all of the above Call Centre activities, as well as other outbound activities, e.g. a dinnertime call asking you to buy a subscription to a publication, can be considered "telemarketing". Be aware of your customer's frame of reference and focus on the business function or application for the Call Centre rather than on whether or not this is "telemarketing".

Remember, the horizontal applications that we have just discussed are not limited to particular industries. In fact, you can find examples of most of these horizontal applications in any vertical industry.

3. THE EVOLUTION OF CALL CENTRES

3.1. Before Call Centres

Before Call Centres, storefront operations were the primary method for conducting business. Whether it was a retail store or a service provider, customers

would appear in person and deal with a clerk or company representative to make a purchase, ask questions, view a product, or schedule a service. Communication was real-time and face-to-face.

As consumers became busier, catalogue sales gained in popularity. This allowed customers to mail in an order or, if they had a more immediate need, to place their order over the telephone by placing a long-distance telephone call. The introduction of free call numbers including 800 numbers made it convenient and cost-effective for customers to call in their business – the telephone became the new "front door".

Marketers in all sorts of industries began to see the advantages of Call Centre order taking, selling, and customer service as a way to increase revenues. Cost-conscious managers saw that some tasks could be handled more efficiently and by lower-paid personnel, eliminating or reducing travel and associated business expenses, or eliminating or reducing the "middle man" in the distribution chain. Marketers began to look at Call Centres as a way to track and demonstrate advertising effectiveness and results, and advertising subtly began to shift from "creating an image" to motivating the customer to call.

Over the years, as customers became more demanding and business sought to improve profitability, companies recognised the need for providing an in-

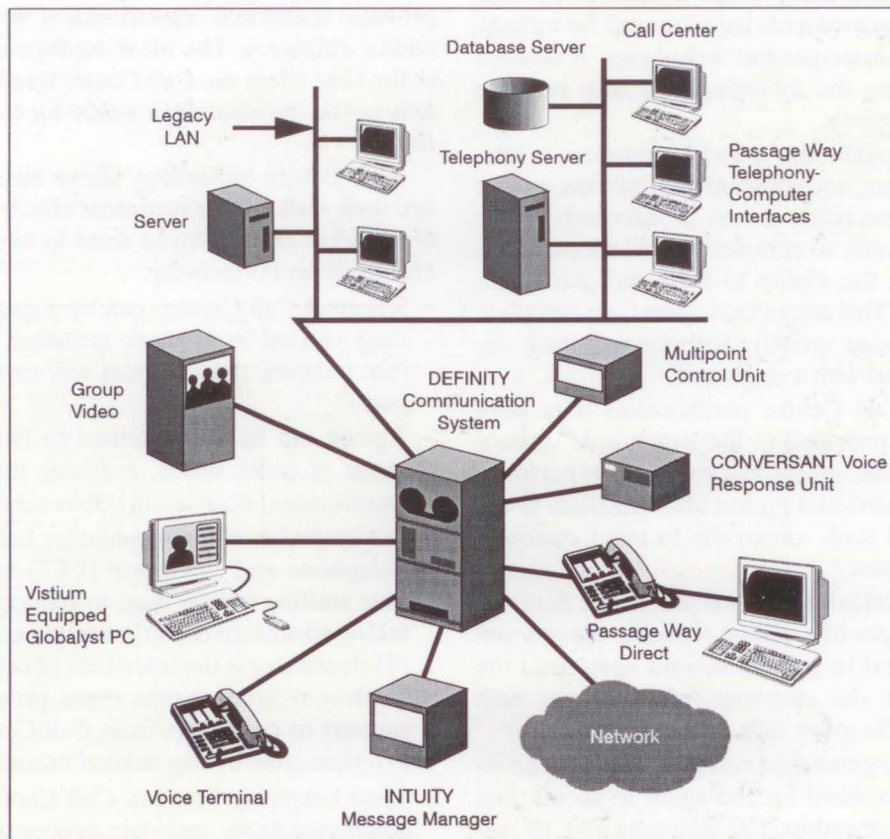


Figure 2 - Today's Multimedia Solution

creased amount of business through telephone communication: processing orders, providing customer service, offering sales support, and providing account management. "Call Centres" similar to that of American Express, with toll-free support and 24-hour, 7-day service as the result.

4. DETERMINING NEEDS – REDUCING COSTS

4.1. Maximise Employee Productivity

One driving motivation for many Call Centre applications is to reduce the costs of performing an activity through using a Call Centre rather than alternative methods of accomplishing the same task. These cost reductions can take place through shifting activities from higher-cost field personnel to the generally lower cost of Call Centre personnel, even if they are as highly skilled and trained (business travel expenses are eliminated) as well as through improving employee productivity by minimising or eliminating the "down-time" between sales contacts, through reduction or elimination of the need for retail outlets, or by creating streamlined processes.

Once the Call Centre has been established, keeping costs down remains the key motivator for any change. Call Centres can increase employee productivity through improvements based on call flow analysis and workflow management techniques. A number of areas, including the following, can help improve employee productivity.

- Integrated workstation, which combines a telephone, computer, and software applications, ensure that agents have ready access to information, the software necessary to complete transactions with a customer, and the ability to take and place calls automatically. This means that agents can complete transactions more quickly, without requiring another agent, and with a single call.
- Whereas all Call Centre performance data were normally only provided to the supervisor, VuStats provides personal, group, and centre-wide performance data to individual agents, allowing them to use their time and skills effectively to meet customer service objectives.
- Co-ordinated transfer of voice and caller data can reduce the length of a call by reducing the amount of time required to bring a second agent into the discussion with the customer, which means each agent can handle more calls.
- Voice response-generated customer profiles can either replace the need for the agent to spend time with the caller or reduce the time required, by collecting specific facts before the call is answered by

the agent. These facts include information like the caller's account number, the reason for the call, and relevant information from a previous call; using speech or touch tone, callers can actually update their own database records, so even if the customer hangs up before connecting with the agent, the database can be kept current.

- Interactive Voice Response can be used to offload repetitive tasks that customers can perform for themselves, e.g. checking account balances, tracking shipments, or obtaining product information, which frees agents to handle more complex calls.
- Intelligent call routing capabilities including Call Vectoring, Expert Agent Selection, and Expected Wait Time can route the call to the best available agent to answer the caller's need correctly the first time. This "one-call service" reduces the need for involving more than one agent and reduces the need for second or third calls related to the same customer problem

4.2. Manage Resources Effectively

Call Centres are not static environments; they change in response to the company's position in the marketplace, customer contact patterns, and the myriad of other factors that influence any given business. In addition, new technology and new service offers provide additional opportunities for effectiveness and/or efficiency. The ideal deployment of resources at the time when the Call Centre was first established may not be the ideal deployment for today and tomorrow.

Call Centre technology allows businesses to manage their Call Centre resources effectively. A number of different tactics can be used to manage resources efficiently and effectively:

- Regional Call Centres can be consolidated to save costs related to network facilities, personnel, private network management and expenses and support.
- Agents can be cross trained to handle a broader range of caller needs, reducing the need for call transfers and decreasing queue time.
- In a limited number of countries, based upon Postal Telephone and Telegraph (PTT) billing practices, time shifting can be used to reduce network costs, taking advantage of the lowest time of the day rates. (Time shifting is the inter-flow of calls between Call Centres in differing time zones, providing off-hours support to customers from Call Centres operating in a time zone during normal business hours.)
- Load balancing between Call Centres means that communications and data processing systems can be used most efficiently.

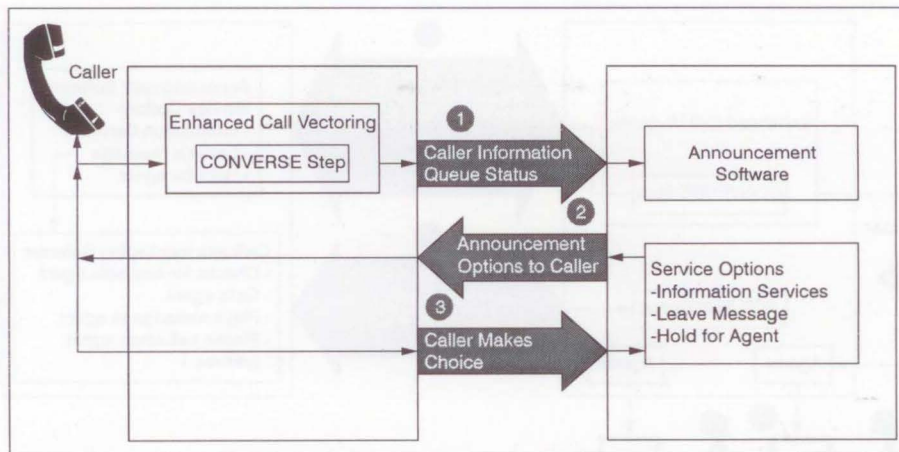


Figure 3 - Announcement Application

– Call Management System (CMS) software can track the performance of agents and provide information to identify training and coaching opportunities to improve the performance of agents, which means results can be improved without the addition of people or equipment to the Call Centre operation.

5. DETERMINING NEEDS – INCREASING REVENUES

5.1. Increase Customer Satisfaction & Loyalty

Call Centre technology and good agent training can make the use of Call Centres a pleasant and satisfying experience. Customers' calls are processed more quickly (with fewer transfers and less time on hold); their transactions can often be handled in a single call; and their particular needs are readily available to agents. Where IVR is in place, customers can even serve themselves, making account inquiries, ordering products, checking schedules, or learning more about product or service offerings. In many cases, Call Centres offer staffed 24-hour, 7-day service. Successful Call Centres are customer-focused and service-oriented.

Conversely, customer dissatisfaction has a negative impact on loyalty, on revenues, and even on potential new revenues. A business must understand how and why its customers are unhappy and resolve their problems in order to retain their business. Studies indicate the following reasons for why customers typically stop doing business with a company:

- 1 % of the customers die
- 3 % move away
- 5 % develop other business relationships
- 9 % start doing business with competitors
- 14 % are dissatisfied with the product or service

– 68 % are dissatisfied with the treatment they have received from staff

Only 4 % of these situations (those customers who die or move away) could not be improved with better service. Imagine the lost revenue associated with the remaining 96 % of those lost customers, and how much more profitable an organisation could be if it could retain only a fraction of those who leave!

5.2. Generate New Business Revenues

Call Centres are often established or expanded as a tactical component of a marketing strategy to generate business revenues. They may be used as a cost-effective alternative to other revenue-generating processes, including orders received by mail (direct mail/direct response), a field sales force, retail outlets or service centres. Or Call Centres may be used strategically to generate new revenues through expanding existing markets, developing new markets for company products or services, or introducing new products or services.

As strategic alternatives to other sales or distribution channels, Call Centres can:

- take orders
- sell through cross-selling, upgrade selling, substitute selling, add-on selling, full management of some or all existing customer accounts, acquiring new customers

As strategic tactics to generate new revenues, Call Centres can:

- expand markets geographically without requiring additional storefront locations and their associated costs and planning time
- develop new markets for existing products/services
- help business identify product voids or product enhancements, so that new or improved products/services can be developed in response to market demand

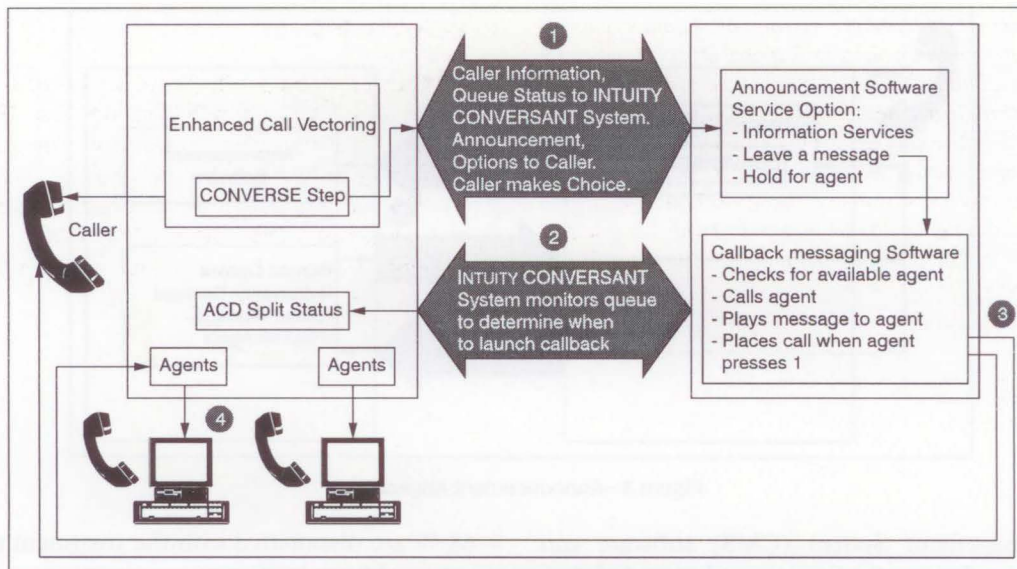


Figure 4 - Callback Messaging Application

- support direct mail/direct response campaigns or media advertising. ("Media" today include not only direct mail, print advertising, radio and television, but also Web pages on the Internet.)
- test markets, introduce, sell, and take orders for new products/services

5.3. Conduct Market Intelligence & Analysis

Call Centre staff and technology can be used to help identify needs for new product improvements, and learn about customers' reactions to competitors' products or services.

- Customer demographics, easy to complete surveys and outbound call management can be teamed for efficient, effective data gathering and analysis.
- Easy-to-use comment screens located on the agent's terminal can record callers' ideas, comments and information that can be centrally stored for analysis.
- ANI data can be analysed to determine demographic buying patterns or preferences, to determine regional responses to marketing campaigns, thus allowing greater targeting and media efficiencies or to conduct abandoned call studies.
- Call Centres can be used to survey customers to quantify the need or demand for a new product or service.

6. CONCLUSION

Selling Call Centre applications is a complex, challenging process. Ability to make successful Call Centre sales depends largely on three elements:

- Ability to understand what different customers are of value to a company and what the company as a whole considers as its business goals
- Ability to develop a Call Centre solution appropriate to the customer's business needs and to explain your solution in terms that meet the customer's business needs
- Ability to develop Call Centre product solutions that fulfil the customer's needs

The Call Centre Integrated Offer Team breaks the paradigms of our current processes and provides new ways of delivering the products, support systems, training and professional services to meet customers' total Call Centre requirements. The Global Call Centre Integrated Offer Team is included in the final stages of completing this unique Call Centre Integrated Offer for key markets.

Call centre largely came into being as a result of consumer needs converging with enabling technology – and companies recognised the revenue opportunities generated by meeting those needs thereby increasing customer satisfaction. Regardless of the specific application or activity of a Call centre, customer satisfaction with the interaction is critical to the revenue generated or protected by the Call centre. Physically, Call centre set up is a place that includes computer, telephone and supervisor station. Call centre can be available 24 hours a day - available when the customer wants to buy, or needs information, or simply wishes to register a complaint.

SAŽETAK

INTEGRIRANI POZIVNI INFORMACIJSKI CENTAR

Pozivni su centri ušli u upotrebu kao rezultat potreba kupaca, povezanih s naprednim tehnologijama – tvrtke su

prepoznale priliku za zaradu generiranu potrebama kupaca, a zbog toga i rastućim zadovoljstvom kupaca. Bez obzira na specifične primjene i aktivnosti pozivnih centara, zadovoljstvo kupaca uzajamnim djelovanjem s pozivnim centrom presudno je za povećanje dohotka ili osiguravanje postojećeg.

Fizički, pozivni centar je mjesto na kojem se nalazi kompjuter, telefon i nadzorna stanica. Pozivni centar omogućava pristup kupcu 24 sata na dan – na raspolaganju je kad kupac želi kupiti proizvod, treba informaciju ili jednostavno želi podnijeti reklamaciju.

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