



## How to Turn Your Contact Center into a Profit Center — A Best-Practice Overview

*— A consistent, high-quality, branded customer experience is essential to differentiate the enterprise and create a competitive advantage*

Many executives view the contact center, or call center, as a cost center – a necessary expense, but one that drags on the bottom line. While costs can almost always be wrung out of nearly any part of an enterprise, in this case the management should first consider whether it can do more to enhance the top line to improve profitability.

Many corporations put their lowest-paid employees in the contact center, a practice that may be fiscally unavoidable but doesn't suggest a focus on maximizing the customer experience. How each customer's needs are met sets the tone for the customer relationship and, eventually, the top line for the company. In fact, for many companies, the contact center *is* the customer experience.



As a global market leader in contact-center systems, software and services, Avaya has a unique understanding of enterprises, their customer-relationship challenges, and how to execute market-leading customer-service strategies. In recent dialogues with Avaya customers, Avaya has found nine issues coming to the fore, and has identified best practices for solving them:

**Best Practice 1: An overhead is not an overhead when it's a profit center.** New technologies are expanding the tools enterprises have to generate new revenues. This is what Avaya calls embedding communications at the heart of business. For instance, outbound dialers, long used for distributing recorded messages, can be integrated with customer data and initiate contacts with customers who have small payments due — calls that would be prohibitively expensive to make through traditional means. And payments can be taken without human intervention. Agents who are freed from these mundane tasks can pursue efforts with higher profit margins. They can take advantage of technologies like computer-telephony integration, to facilitate cross-

selling and up-selling. In some cases, Avaya customers have even become outsourcers, using their excess contact-center capacity to handle customer contacts for non-competing companies.

**Best Practice 2: Finding the right balance of cost efficiency and the customer experience.** The best operations find ways of improving the experience — reducing wait times, streamlining prompts, improving accuracy — without raising costs. The leaders in doing more with less are taking advantage of a society increasingly comfortable with self-service. Integrating their data and business processes with communications software and systems allows their customers to get directly to what they need, when they need it.

Expanding communication channels, e.g., adding web-chat as an option, allows agents to serve multiple customers nearly simultaneously. Enterprises should seek to reduce operational costs by automating what is practical, for instance, simple and intuitive self-service options such as natural speech language recognition or IVR — but they should always give the option to speak to agents.

**Best Practice 3: Directing customers to the right agent, every time.** Few agents can address every need of all customers. However, new tools and technologies exist that help businesses match customers with agents who have the appropriate education, skills, language, and experience. For instance, skills-based routing software uses algorithms that can ensure different customers with different needs spend the least time possible being transferred until they get the right agent. An example could be a travel agency that automatically connects a cruise-lover to a cruise specialist on the first ring, and an extreme-adventure enthusiast with an agent focused on that type of travel. “Presence,” a new capability, enables similar expediency within the enterprise.

**Best Practice 4: Distributed contact centers: tapping new labor pools and reducing costs.** Many enterprises are moving away from the large, centralized operations model to multiple locations serving as one virtual contact center. This movement began more than a decade ago with automatic call distribution (ACD) and other technologies, but Internet Protocol (IP) Telephony and other innovations are accelerating the trend. A call to a single toll-free number may be handled by someone

in Memphis, Mumbai or Manila, with no variation in answer speed, data quality or agent capability. Many Avaya customers are incorporating these flexible arrangements, which enable agents anywhere to make reservations, answer technical questions and do everything else their cubicle-based colleagues do — and with the same degree of monitoring.

At-home workers are the next wave. Companies with home-based agents typically enjoy lower real-estate costs, greater retention, and labor pools greatly expanded beyond those who might be within acceptable commuting distances to their large centers.

**Best Practice 5: Making the enterprise the contact center, and vice versa.** The growing scope of customer contact beyond email, chat and self-service is changing how people think of the companies they do business with. Though many businesses have not yet adopted widely available technologies, the early adopters are pushing on — for instance, using IP Telephony to integrate their contact centers with branch offices, field operations, and sales forces. So, if a worker in a bank branch is idle, he or she can log onto the contact-center platform and serve customers overflowing from an overtaxed contact center. Service technicians, claims personnel and back-office staffs can be extended arms of the contact center, answering questions from wherever they are and deploying to anywhere necessary to serve the customer.

It’s all about pleasing the customer at their pain point, right when they need an answer, or a price, or whatever they need, in the medium that works for them. This real-time customer-care strategy improves customer satisfaction and, in turn, increases customer loyalty — which, of course, results in increased wallet-share.

**Best Practice 6: Thoughtful adoption of new technologies, new capabilities:** IP Telephony, Natural Language Speech Recognition, and Voice Extensible Markup Language (Voice XML) are leading the way for businesses, small and large alike, to gain competitive advantages in their markets. The revolutionary aspect of these new technologies is the extent to which they allow an enterprise to integrate and embed communications into the fabric of its overall business processes.

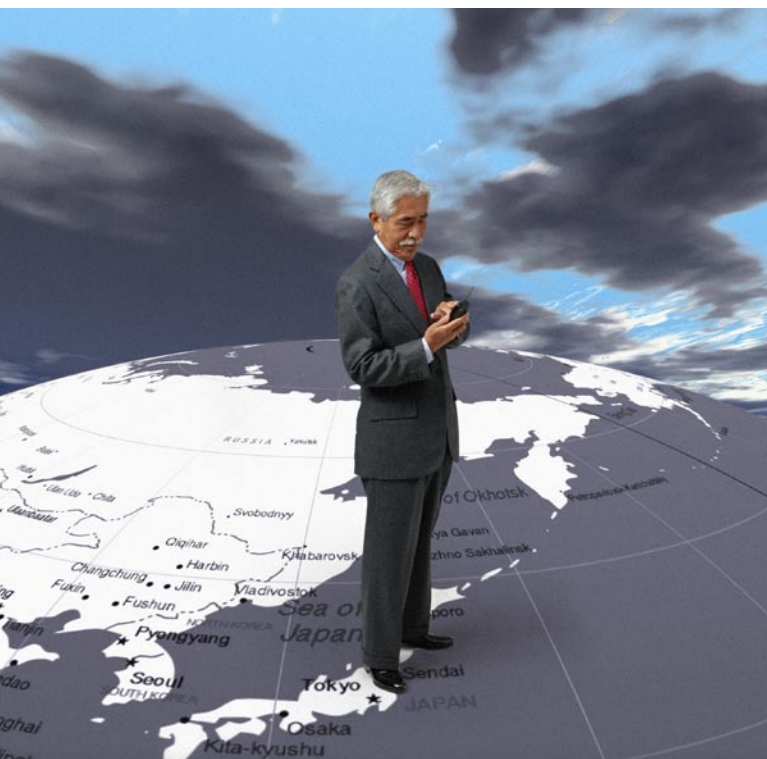
- In many forward-thinking companies, the contact center is at the fore of IP transition. They see opportunities to flatten and consolidate management of their infrastructure; share resources across the enterprise more easily; adopt **Session Initiation Protocol (SIP)** and presence capabilities to enable “find an expert” applications; decrease the complexity of middleware applications; and, last but surely not least, reduce costs.
- **Natural Speech Recognition** is increasingly replacing touch-tone menus and even agents with its ability to handle activities too complex for touch-tone, but simple enough to automate. Natural Speech Recognition can handle account status requests, password resets, materials requests, and other routine tasks that can tie up agents who could be providing more valuable assistance to customers requiring personal attention — and more profit for the organization.
- **Voice XML** does for the telephone what HTML did for the Internet, allowing a company to serve its customers’ information needs with a voice “browser” that responds to either speech or touchtone prompts. This improves the consistency of messaging, and frees up agents for higher-profit activities.

**Best Practice 7: Mapping organizational structures to the contact center.** Many enterprises are moving responsibility for some or all contact-center functions from one organization to another, or consolidating functions in multiple organizations into one — and in both cases, the new organization is often Marketing. Why Marketing? It’s a logical choice for integrating the customer experience. This integration requires a focus on ensuring the technology is supportive, and many enterprises bring in networking experts and professional services to provide that focus. IT outsourcing and managed services are other popular routes, as the tasks involved with such moves can be too much for an internal IT department.

**Best Practice 8: Global resourcing, often called offshore outsourcing.** The market trend in offshoring continues to climb, with many companies either using, or planning to use, resources outside their own countries. Although cost-savings are often pointed to as the primary reason for expanding globally, enterprises also enjoy greater round-the-clock coverage and the inherent advantages of diverse labor pools, such as greater access to multilingual agents. In fact, global resourcing isn’t always drastically less expensive; some Avaya customers have found that strategic adoption of newer technologies can reduce costs sufficiently to keep their agents closer to their headquarters — if that’s important to them.

Those with global operations in place report their greatest successes are in customer support, such as tech support; collections; internal help desks; managed services support; and navigation for customers who had opted out of interactive voice-response menus. Leading-edge practices in offshoring include using offshore outsourcing as a stepping stone to creating self-operated offshore operations; and mitigating risk by leveraging the providers’ investments in resources.

**Best Practice 9: Building relationships that can be counted on.** There’s nothing more important that a company can entrust to a provider than its customer-contact performance. Companies of all sizes want to work with vendors that are more than mere suppliers — they’re trusted advisers. Never has this been more important than today, for all the reasons listed above. Customer-contact executives are looking



for help in managing decentralized networks, and optimizing existing infrastructure to get more from their investments. They're also looking to understand where and how to deploy new technologies with minimal risk, and employing best practices to ensure they delight their customers while meeting the growing maze of regulatory requirements.

No one approach to the contact center is right for every enterprise. But every enterprise should work with a vendor that provides great breadth and depth in applications, systems, and *services*, to ensure its overall solution is right for today, and scalable for tomorrow.

A worthy services outfit provides upfront professional consulting services to develop a holistic customer-care architecture, and extends to deployment and

management, for continuity in performance. Select a vendor that knows how to embed communications into your business processes, into the fabric of your overall enterprise. And choose one that works with you as a partner, helping to meet and exceed common goals, finding the right path to the greatest competitive advantage and business value.

The customer experience should be a prime consideration for every enterprise making operational and business decisions, continually working to ensure that each customer's experience is a consistent, high-quality, branded customer experience. Achieving this at the right cost is important, but customer-service leaders are seeing that the contact center is a profit center rather than a cost center. After all, the contact center *is* the customer experience.

#### About Avaya

Avaya enables businesses to achieve superior results by designing, building and managing their communications networks. Over one million businesses worldwide, including more than 90 percent of the FORTUNE 500®, rely on Avaya solutions and services to enhance value, improve productivity and gain competitive advantage.

Focused on enterprises large to small, Avaya is a world leader in secure and reliable IP telephony systems, communications software applications and full life-cycle services. Driving the convergence of voice and data communications with business applications – and distinguished by comprehensive worldwide services – Avaya helps customers leverage existing and new networks to unlock value and enhance business performance.

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