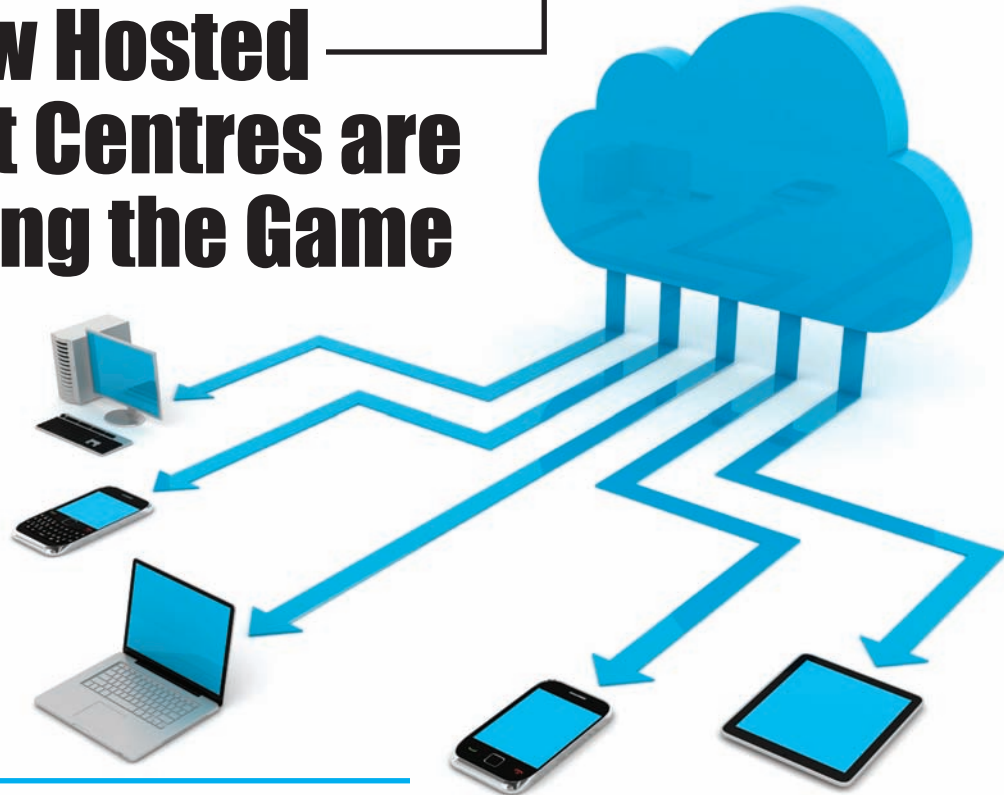# How Hosted Contact Centres are Changing the Game

By R.J. (Rob) Anderson

Customer experience is increasingly becoming a key differentiator due to accelerated globalization. The technology contact centres choose to use will play a greater role in the success of their customer service as new channels of communication continue to develop.

A virtual contact centre solution can help a franchise organization:

- Improve the customer chain of communication;
- Access detailed customer insights from every interaction;
- Track all call activity and gather insights to accelerate sales efforts;
- Effectively manage multiple channels of communication (SMS, chat, email, social media);
- Easily implement disaster recovery plans and emergency communication procedures;
- Keep your IT department happy with no additional load on their hardware, network or team;
- Achieve superior customer and support services.

Whether you're an established franchise with an investment in hardware or an up-and-coming franchise looking for ways to offer world-class service, a virtual contact centre offers outstanding benefits. What was too expensive or unfeasible in the past is no longer a concern. The purchase and maintenance of costly hardware and software is replaced with a subscription to the technology, accessible from any computer and/or phone.

"We knew using a cloud solution for our contact centre would make things simple, but we didn't realize how easy. The software works from any machine, anywhere. We don't need to worry about being physically connected to a server, and with multiple locations, that turned out to be an important feature," says Brent Hohlweg, Co-Founder & CBA, Men In Kilts Window Cleaning Franchise.

When you're accustomed to something, change can be difficult. You're aware of your current system's pitfalls and some potential benefits of switching, but you're overwhelmed with the thought of making the change. Rest assured, switching to the cloud is easier than you think, and will save you time, money, and resources!

STEP 1:
EVALUATE AND COMPARE
Conduct an assessment of your contact centre's technology, resources and processes to determine:
- What problems you're facing
- What new features and functions would be valuable
- What resources you have (agents, agent managers, IT staff)

Cost Savings When Moving to the Cloud
You're able to minimize costs with a virtual solution as limited capital is required. The total cost of ownership (TCO) savings on a full-function virtual solution versus a comparable hardware-based solution can be anywhere from 65-77% in year one, 30-58% in year two and 8-43% in year five, depending on the number of agents.[1]

In the short-term, organizations find hosted solutions to be the most cost-effective. In the long term, the overall cost benefit depends on a number of factors, including:
- The impact of personnel costs to maintain a hardware-based solution
- Required changes or upgrades for additional functionality
- Seasonal variations that make hosted solutions more attractive
- Cost benefits of added flexibility provided by hosted solutions

Providers of hosted solutions typically have several clients; therefore the overall development cost associated with the enhance-

[1]Frost & Sullivan

ment of features can be spread across multiple organizations leaving no single client to shoulder the cost, unlike a hardware-based solution.

"A Yankee Group analysis of the three-year TCO shows significant savings in favor of a hosted solution. Yankee Group estimates 28%-45% TCO savings when starting up a contact centre. For example, in a 25-agent contact centre the estimated costs of an on-premises solution amount is $369,000 compared with $266,000 for a hosted solution over the first three years of operations."[2]

All-in-One Solution vs. A-La-Carte

At first glance, a-la-carte options seem appealing, but they often present conflicts when integrating with current IVR and ACD systems. A complete solution, built by one supplier, will prevent integration issues. It's often suggested that to get the most out of a virtual solution, you'll want an all-in-one package, which will provide a smooth implementation, fixed monthly pricing, complete support, and consistent system-wide upgrades, preventing future issues.

A New Vision on Staffing

With a cloud-based system you are presented with flexibility and opportunity with staffing.

- Home and remote agent made easy
- Linking multiple sites becomes painless
- Reduced employee turnover
- Geographical limitations disappear
- Employees with specific skill-sets become easily accessible
- Seasonal variation, expansions and downsizing are easily managed
- An in-house infrastructure department isn't required

The trend towards working from home, a viable option with hosted solutions, is shown to increase efficiency and loyalty. Most hosted environments now have the ability to be IP-based and some allow routing over multiple networks like the Public Switched Telephone Network (PSTN). This is how franchise organizations can be flexible in linking multiple sites and deploying agents to remote offices, without requiring agents to use the same device on one network.

Removing Current Pain Points

- **Fewer Frustrated Customers:** Get all franchisees, agents and head office staff on the same platform with the tools to make notes on each call as it's passed along. This ensures call details are recorded and customers never have to repeat their story.
- **Gather Support Call Insights:** Easily track all franchisee support touch points, from level one support to vendors to completion. Gain insight into every aspect of these calls, including the time of completion by your vendor support and final resolution to easily compare calls for proper analysis.
- **Have One Sales Queue:** Combining all franchisee and head office sales calls will allow you to easily track the complete process starting from the moment you receive a call or email. Your organization will uncover powerful business intelligence letting them know what's working and what needs refinement.

STEP 2:
PLAN, STRATEGIZE AND SET GOALS

When planning and goal setting, you need to ensure you keep an open mind, put aside your current business processes that may have been dictated by technology constraints. What was impossible becomes possible!

When switching from a hardware-based to a cloud-based solution you'll be presented with more choices, resources and technology. You'll receive continuous upgrades and experience reduced pressure on your IT department as all administration and technical issues will be handled by your cloud provider. You'll experience freed-up resources and a number of new features and functions. Take all of this into account when planning and goal setting.

Fully Optimizing Your Freed-Up Resources

Hosted providers excel in providing contact centre solutions. This is an opportunity for you to focus on your specialty: your business. Leave the technical and administration tasks to your provider and spend your time on greater value tasks, such as updating contact centre strategies and processes to increase customer retention, satisfaction and revenues.

New Features and Functions to Improve Business Results

Hosted applications allow small and mid-sized organizations to benefit from some of the more advanced functions that were previously reserved exclusively for larger contact centres. With a virtual solution, risks are greatly reduced when trying new features and functions.

Take the time to design a roadmap to effectively reach your goals keeping these features in mind:

- The flexibility to easily add and remove agents
- The ability to configure automatic reactions to unforeseen event interruptions, minimizing downtime
- Multi-channel proactive communications
- Data integration

A study performed by Purdue University found that, "92% of customers form their opinion about a company based on their call center."

This statistic proves how important it is to plan and execute an effective contact centre strategy. Leverage the virtual contact centre features and functions to improve your business results!

Taking Full Advantage of Your New Cloud-Based Technology

Your virtual solution can be optimized in various departments to improve overall customer experiences. After optimizing your front-line processes consider linking to your back-office to design workflows around interactions that optimize efficiency. Consider creating back-office processes, such as intelligent routing, that improve customer retention.

Potential Risks?

With all of the benefits of a hosted solution there may be some growing pains.

- **IT Control:** Some organizations may view loss of IT control an issue. However, it is important to note that this frees up IT staff allowing more focus on growth opportunities, such as enhanced security, training, and improving other internal systems.
- **Security:** While security concerns with hardware-based and virtual environments are comparable, there are organizations that refuse to allow a third-party vendors access to their data. Due to the procedures and

[2]The Voice of Network Convergence:6. http://www.von.com/articles/hosted-voip/ask_steve_smbs_benefit.html

encryptions inherently built into a virtual model, the data tends to be more secure.

- Operating Costs: The total cost of ownership favours hosted environments when initial set-up costs and other associated costs are included.
- Customization: Not all hosted solution providers will make large scale customized changes for your franchise inexpensively, but all can provide great applications to multiple clients at reasonable prices.
- Change: Often, concerns about the required work and doubts arise when facing change. Moving to a hosted solution is no different, but the long-term benefits have been proven to be worth the switch.

STEP 3: CONTINUOUSLY ANALYZE AND MEASURE

Virtual solutions provide access to comprehensive on-demand reports, generally through a web interface, for all interactions. Customer insights and agent performance metrics are the keys to improving customer service. These insights help you measure results and drive decisions resembling, whether or not a process is effective, or if a staffing model is working. Be sure to consider how to monitor and analyze your business with all these new capabilities.

Choosing a Partner

When choosing a partner, ensure they understand your business and can align with your vision. Not all solutions easily fit franchise specific needs and processes. Form a strategic partnership with this new provider and choose a dedicated IT and Contact Centre Manager knowledgeable about existing operations and practices to work directly with your cloud provider throughout deployment.

Look for a solution that uses a SaaS (Software as a Service) model to deliver a customizable, easy-to-use solution allowing users to concentrate on providing excellent service from day one, instead of worrying about how to use a system.

The system should include: ACD, IVR, WFM, CTI, reports, dashboards, recordings, remote agents, disaster recovery, and should flawlessly integrate with your database and online management tools such as: Salesforce, Vonigo, and Microsoft Lync.

To get the full benefits of a virtual contact centre it's often suggested to go with a provider offering fixed, full-service pricing as opposed to a-la-carte options to help avoid integration problems. If you can, avoid long-term contracts to ensure your provider is continuously working for you and gaining your business every month.

For all the reasons businesses have been moving to the cloud for their computer infrastructure, the same benefit is being realized by adopters of a virtual contact centre. Join these leaders and transform your contact centre! 🍁

About the Author:

R.J. (Rob) Anderson has a significant history in both franchising and contact centers. He was a CFA board member, and in 2009 his 3-year-old franchise received the CFA 'Award of Excellence'. Prior to this work, Rob was an executive at two of Canada's largest contact centre outsourcers. Today he leads Telax's franchise and government initiatives. Rob can be reached at roba@telax.com or visit www.telax.com/franchise.

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