

The Call Centre Evolution:

FROM SERVICE DELIVERY TO VALUE GENERATION

A WNS South Africa PERSPECTIVE



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THE CONTACT CENTRE HAS MADE SIGNIFICANT STRIDES AS AN OUTSOURCED FUNCTION. WHAT WAS INITIALLY CONSIDERED AS A COST CENTRE, TODAY OCCUPIES A CENTRAL POSITION IN BUILDING AND NURTURING CUSTOMER RELATIONSHIPS. MORE IMPORTANTLY, IT IS EVOLVING AS A REVENUE GENERATING CHANNEL.

The contact centre presents a prime opportunity for businesses to build strong customer relationships and generate revenues. However, with customer loyalties becoming fickle in a multi-channel world and technology seeping in to all aspects of business, complexities have only multiplied in contact centre operations. The business process outsourcing (BPO) industry has led the way in keeping up with these changes and at the same time creating value for clients.

Cost Centre vs. Value Delivery

The call centre has today evolved into a hub that not only provides customer service but also has the capability to bring in revenue. Introducing the 'Sales-through-Service' model to the contact centre really works in favour of the business. A McKinsey report reveals that a sales-through-service customer contact centre can generate up to 25 percent of total new revenues for credit card companies and up to 60 percent for telecom operators. The underlying factor that makes this model successful is the pairing of sales and service to generate revenue. For instance, when a contact centre agent fulfils the service need

of customers and then probes sincerely about their broader needs, customers become receptive to buying new products.

The transition from service to sales-and-service is not as easy as it may sound. At a tactical level, key performance indicators (KPIs) in the contact centre need to be adjusted to revolve around customer experience and sales effectiveness rather than the traditional service oriented KPIs such as average handling time (AHT). For example, while a low AHT indicates lower operating overheads, it can have an impact on the customer experience when calls are kept short. The transition from service to sales-through-service requires the contact centre to include 'conversions' and 'number of bookings' - KPIs that indicate sales effectiveness - over and above service focused KPIs.

For businesses considering an outsourced contact centre, this transformation can have an impact on pricing models, which are beneficial to both the buyer and the service provider.

Pricing can be effectively tied to the outcomes from such a contact centre. The move to a revenue-generating contact centre coincides with the emerging strategy of clients using service providers who are able to integrate effectively with their own business. This arrangement is

formalised with an outcome-based pricing model that ties the revenue of the service provider with the commercial success of the client's campaign.

Cloud-enablement and Analytical Insights

On the technical front, contact centre systems architects have to cater for multiple channels that are unified in a multi-channel portal - enabling a single view of the customer. Systems architects need to build system automation in a manner that enables the end-user to independently handle lower complexity transactions.

Another major technological development that is changing the way contact centres function is the Cloud. Cloud applications have made offering business services more agile, enabling easy lift-and-shift of operations to new locations without re-deploying technical architecture, which is now housed in a distant and often third-party server farm. The Cloud also enables and supports plug-and-play deployments as well as alternative placement options such as home-based agents.

Technology developments lead us to one of the most promising value-add advancements in call centre operations,



but one which is often least understood – Analytics. BPO providers have the capabilities to provide high-end research as well as integrated analytics services to their clients.

The analytics journey starts with collecting and cleaning of data. Data explosion is a reality that businesses deal with today. While most companies may sit on heaps and heaps of data, few have the right combination of human capital and analytical tools to make sense of the data.

The contact centre is a touch-point where a lot of data is generated. This data is valuable for businesses as it provides immediate visibility into customer behaviour, their choices and preferences. Offshore BPO providers with advanced analytical capabilities can become an active support component for companies by creating informed strategic campaigns based on an understanding of customer behaviour from contact centre data.

Multi-Channel Customer Service

Societal changes coupled with the convergence of technologies (social media, mobility and the cloud) have had an effect on contact centres. Customers are present on social media and with the penetration of smartphones, they expect their product or service complaints and queries to be

resolved immediately and effectively. Delays and ineffective efforts to resolve complaints on the part of companies often turn into negative consumer sentiments that impact overall brand equity.

Social metrics have become an integral part of brand equity mapping. For instance, a million likes on Facebook is a big deal for companies, as it demonstrates the popularity of the brand. Likewise complaints on the public forum HelloPeter are something companies would like to steer away from.

In such a 'social' setup, a multi-channel contact centre becomes a central hub that can bring a brand or business close to its consumers from multiple channels. Furthermore, it provides the company with a unified view of the customer and an opportunity to forge stronger relationships.

Human Capital

In the middle of this whirlwind of developments are the frontline call centre agents. No longer are they expected to simply read their script, get a response, and move onto the next call. As service complexity increases, agents have to engage with customer issues often at the point where the customer is already irritated, understand the often technical products and services, and be able to cross-sell and up-sell products and services.

Advanced workforce management techniques, automation, social media tactics and analytical modelling are some of the changes that BPO providers are infusing into the contact centre strategy for enhanced business impact.

The Road Ahead

With the emergence of SMAC – social media, analytics and Cloud technologies, a simple voice-based customer contact centre may not be the best fit to tackle complex customer and business demands. An outsourcing provider with experience in multi-channel contact centre delivery is best placed to deliver value to companies.

Disruptive innovation and increasing complexities, compounded by a number of seismic shifts in the market have led to a number of companies refocusing their attention on their core business. Service providers are now specialists who offer more than low cost off-shoring – they re-engineer processes and employ subject matter expertise that a non-outsourced organisation may not have access to or inclination to deploy. The customer service business is becoming more specialised and scope of work BPO providers deliver has evolved to more than just responding to customer calls; it is now about value delivery and the convergence of technologies, and people. ▲

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