

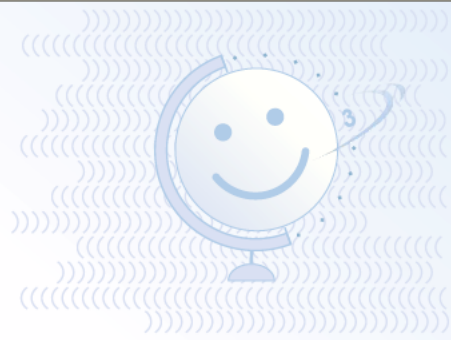


# CUSTOMER CONTACT CENTER



## CUSTOMER CONTACT CENTER

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# CUSTOMER CONTACT CENTER

## **What is a Customer Contact Center (Call Center)?**

A call center is a third-party customer contact desk, which handles customer calls and complaints, but also tries to build a comprehensive CRM (customer relationship management; CRM is the process of sales, marketing, service and support within an organization with the customer as the focal point) system for the products and services a particular company markets.

## **Call Center Applications:**

A call center can take on one of the following personalities:

- Telemarketing Center
- Teleservicing Center
- Help Desk
- Reservation Center
- Catalog Retailer
- E-Tailing Center
- E-Commerce Transaction Center that manages automated customer interactions
- Fund Raising and or Collection Organization

A call center is traditionally defined as a physical location where calls are placed, or received, in high volume for the purpose of:

- Sales
- Marketing
- Telemarketing
- Customer service
- Technical support
- Specialized business activity

## **How does a Call Center Work?**

A typical call center functions as follows - A caller uses a toll free number that is connected to a customer support center. When the call reaches the call center, a trained consultant with access to a wide database of information, answers the call. The dedicated telecommunication links connect a remote call center to the parent organization through voice links and online database access. Therefore a caller maybe calling a local number in USA, but the call maybe answered in India without any time delay and the caller is oblivious of where the call is being answered.



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## **Types of Call Centers:**

There are two primary call center types, which are:

Outbound Call Center

Inbound Call Center

## **Key Responsibilities of an Outbound Call Center:**

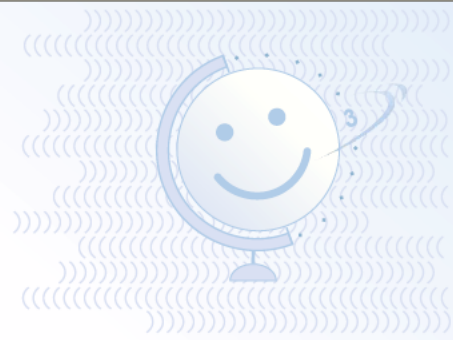
Make outgoing calls for the purposes of:

- Welcome Calls
- New Customer Acquisition
- Customer Retention
- Demand Stimulation
- Database Cleansing
- Appointment Booking
- Database Building and Verification
- Survey/Market Research
- Payment Reminders/Collections
- Contract & Subscription Renewals
- Promotions/Cross Selling/Up-selling

## **Key Responsibilities of an Inbound Call Center:**

Receive incoming calls for the purposes of:

- Tele-ordering/cross selling/up selling
- Subscription/Renewal/Registration/Redemption
- Customer Service Hotline
- Help Desk
- Loyalty Programs
- Voice Response System/Fax on Demand
- TV Response Hotline
- Fault Reporting
- Bookings/Reservations/Ticketing



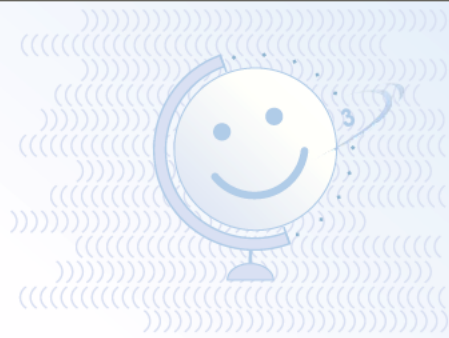
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## **Application Areas of a Call Center:**

- Sales Support
- Complaint Handling
- Technical queries
- Relationship and Accounts Management
- Lead generation and follow up
- Telemarketing
- Credit and Billing problems
- Market Research
- Database Development

## **Why do companies need to outsource Call Center operations to India?**

- Outsource to stay competitive - leading companies worldwide recognize that to stay ahead, they need to reduce costs, provide the best quality, use the latest high-tech skills, and be reliable and innovative
- Offload non-core functions, freeing up manpower to focus on mission critical/revenue generating activities
- Traditional bases for the call center industry, the US and the UK are no longer very competitive. On an average, per agent cost in the US is about eight times higher than that in India
- Lower turnover costs for call center operators - 34% in the USA versus 6-10% in India, translating to lower operating costs and staffing/retraining expenses.
- Given India's large population, this should stave off wage and turnover pressures keeping the India based call center industry competitive for years to come. (Workforce consisting of 390 million)
- Outsourcing call center activities will allow for a company to maintain a technical and functional edge without significant capital investment/outlay.
- Technical competence/superiority - most call center operators in India have a minimum of a 4 year college education, while their US and British counterparts typically only have a high school diploma
- Time zone advantages will allow American firms to provide 24-hour customer service (due to the 12 hour time difference) from call centers in India



## CUSTOMER CONTACT CENTER

### INDIA'S COST INCENTIVE

	UNITED STATES	INDIA	SAVINGS
Hourly Wage of a Call Center Manager	\$28.85	\$9.13	\$19.72
Annual Labor Costs for CC Managers	\$2,400,320	\$758,616	\$1,640,704
Hourly Wage for a Call Center Agent	\$9.62	\$0.96	\$8.66
Annual Labor Costs: Total No. Of Agents	\$7,203,456	\$718,848	\$6,484,608
Average Costs: Facility Space	\$600,000	\$75,000	\$525,000

Calculations based on a 400-person call center, 90% agents, 10% managers; space is 60,000 square feet @ 150 square feet / employee. Work Week of 40 hours a week, 2,080 hours / year.