



THE BENEFITS OF CLOUD-BASED CALL CENTERS

AN EXECUTIVE OVERVIEW

EVOLVE IP™

989 Old Eagle School Road
Suite 815
Wayne, PA 19087
USA
610.964.8000
www.evolveip.net

Table of Contents

Cloud Call Center Defined 3

Introduction 3

Lower TCO 4

Maximize Staffing 4

Flexible 5

Scalable 5

Disaster Recovery 6

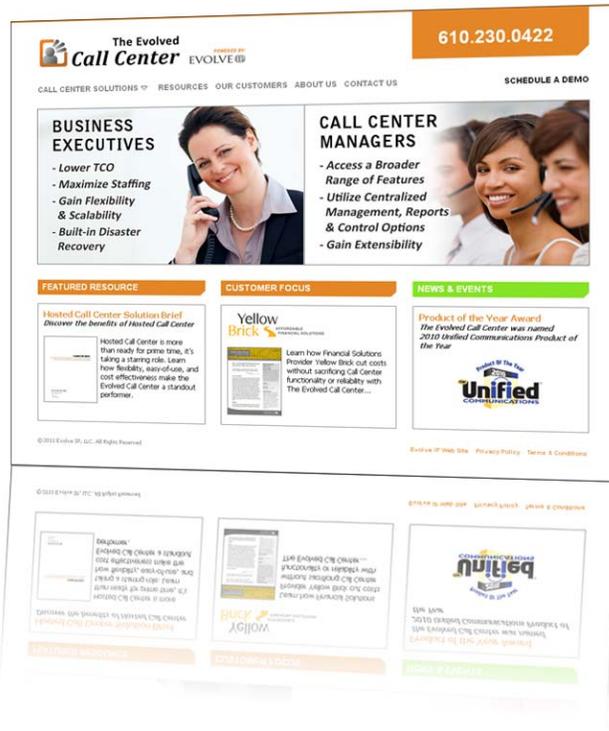
Features 6

Conclusion 6

About Evolve IP 7

Acknowledgements

Scott Kinka
Chief Technology Officer



Cloud Call Center Defined

A cloud call center is a network-based service in which a provider owns and operates call center technology and provides its services remotely to businesses in a monthly subscription model. Many descriptors have been used to explain this concept including: Virtual Call Center, Hosted Call Center and Call Center As-A-Service.

Introduction

Call centers of all sizes and types are considering moving their call centers to the “cloud.” In fact, many industry analysts predict that over 70 percent of call centers will use a hosted platform by 2014.

Call center solutions are not a new business. For decades, call center executives have increased the productivity of their staff and ensured the call “gets answered” with widely-supported, fully-featured, on-site systems or with combinations of equipment and software, including phone systems, ACDs, reporting solutions, workforce management and recording devices. These solutions become entrenched in the way the business operates. Replacing one or more of them can be an onerous task. Given this potentially steep barrier to entry, what is driving the call center to the cloud?

It depends on your role in the organization.

When evaluating a new call center solution, agents and, more importantly, front-line supervisors are rightly focused on features that make their jobs easier or their time more efficient. However, the feature differences between most modern call center solutions are not significant. Does every solution have the same gadgets and killer features? No. But at the end of the day, if the solution can reliably route a call to the appropriate person, and the business can report on the activity to make staffing decisions, it’s generally working as advertised.

Business and customer service executives, however, are moving to the cloud not because of features, but for the benefits.

Any cloud solution (whether its telephony, email, or business application) boasts of the same primary benefits: lower TCO and predictable monthly costs, increased uptime, no upgrades or maintenance, and immediate access to features. These certainly hold true in the call center space as well. But it’s the unique business requirements of the call center that maximize the intrinsic value of the cloud.

Lower Total Cost of Ownership TCO

Call center businesses, more than others, are subject to the “hamster wheel” of technology investments. Equipment and software used by the call center must be purchased or leased, depreciated, patched for bugs, upgraded every year or two, maintained by on-site staff, and eventually, replaced. And despite the efforts of the IT team, these expenses are often not predictable. In contrast, Cloud services are generally delivered as a “per user” or “per feature” monthly expense, without upfront capital expenditures. Given the lifespan of most on-site equipment, a lower TCO can easily be realized over five, seven or even 10 years.

However, there are some additional considerations for call centers that make the cloud TCO even more attractive.

A typical business “oversubscribes” the number of telephone lines or call paths it pays for on a monthly basis. This means that a business with 100 employees will typically purchase 20-25 lines to cover the number of people on the phone at any given time. For call centers, which are largely in the business of queuing calls to wait for an available agent, the oversubscription works in reverse. The business must have a line available for every available agent, plus additional lines for calls that are queued. One hundred agents could require 200 or 300 lines.

How does a business know if they have enough lines? Quite simply: It doesn't. If more callers are hitting the main number than they have lines available to queue them, the carrier returns a fast busy to the end customer. Meanwhile, the business has no idea that occurred because the call never reaches its phone system.

With a cloud-based call center solution, calls will queue in the service provider's architecture and not on the local phone system. Cloud call centers enjoy unlimited scalability to meet their peak periods and only require enough bandwidth to support the number of agents on the phone at any given time. As a result, the business can generally cut its traditional telecom expense (PRI, POTS, T1) by more than 75 percent.

According to AMR Research, companies using virtual contact centers increase productivity by 15 percent and save an estimated \$1 million per 100 call center agents. (Source: AMR Research, 2003)

Maximize Staffing

Call centers with users in multiple locations spend significant time, energy and money determining how to most effectively use their distributed agents. In order to do so, they:

- Build complicated routing techniques to regionalize calls;
- Utilize expensive lines to reroute calls from one location to another when local queues are busy;
- Force all calls for a particular skill to a single location (which is more effective but introduces risk);

- Make a full-time job out of managing all of the above.

Cloud call centers ignore geography. Because calls are queuing in the cloud, agents from any location log in to a single (cloud-based) queue for each skill. Rather than isolating 10 agents at one location and 10 at another to answer similar calls, a cloud call center might have 15-18 total agents in a single queue, regardless of where those agents sit, and actually improve average speed of answer.

Flexibility

If agents can log in to a single queue from any location, do they even need to be in an office? With an on-site call center solution, sending agents home and providing similar tools can be complicated and expensive. Remote users require not only a handset, but often a local gateway or device. The primary contact center location requires additional bandwidth, security devices and gateways to support them. And the entire solution requires management, maintenance and support.

As detailed above, cloud call centers ignore geography, including the location of individual agents. Agents can route their office phone to their home phone, take a phone home and plug it into a broadband connection, even accept ACD calls on their Smartphones. And regardless of their location, their supervisor can monitor calls and manage their state.

In fact, in a survey conducted by Frost and Sullivan, companies currently utilizing hosted call center solutions cite “ease of provisioning and managing multi-site and remote agents,” not cost, as the number one reason for selecting a hosted solution. (Source: Frost & Sullivan, 2007)

Scalability

Every call center has periods of higher-than-usual traffic. To accommodate retail seasonality, a business event or a new product release, call centers are often forced to add agents and the underlying equipment, licensing and phone lines to meet customer demand. Unfortunately, this creates periods of time when the business is carrying expense or equipment that it does not require over the course of a year.

As previously detailed, cloud services are generally delivered as a “per user” or “per feature” monthly expense, affording businesses the opportunity to increase and decrease costs with seasonality and growth, while ensuring that a call is not missed due to call capacity limitations.

Disaster Recovery (DR)

Every lost call represents lost business. If there is anything that you can count on, it's business disruption. Power will go out. Telecom and data lines will do down. Bad weather will make it difficult for employees to make it to the office. And trying to build sufficient DR (Disaster Recovery) and redundancy to account for each of these issues is an expensive and inexact science.

Ensuring the call center remains operable at all times is perhaps the most significant benefit the cloud can deliver. If a location is lost, for any of the reasons listed above, the cloud call center will continue to accept and queue calls, play messages, route calls to available locations, or fail over to home agents or cell phones without ANY action being taken by the business. Because of the flexibility detailed above, long term disaster recovery options are increased exponentially and management of the solution requires nothing more than a Smartphone with a data plan.

Features

What about the features that call center staff are clamoring for?

Since services are provided on a subscription model, businesses can try out new functionality without spending a great deal of time or money. And since the vendor has to prove its worth every month, rather than every seven to 10 years, businesses can rest assured that innovation will continue throughout the length of any agreement.

Conclusion

Call center agents and supervisors are looking for advanced features to help them do their jobs. While not every solution is created equally, most modern, IP-enabled call center solutions will have similar tools and provide features not available only a few short years ago.

Business executives are considering moving these solutions to the cloud to gain benefits that on-premise solutions cannot provide, no matter who the manufacturer is. Cloud-based call centers provide a significantly better total cost of ownership, enable maximum utilization of staff, and are more scalable and flexible than their on-premise cousins. Perhaps most importantly, the cloud supports a level of disaster recovery that is unparalleled with on-premise solutions.

With unpredictable economic times, constantly evolving technology, and swiftly changing weather patterns and natural disasters, the time to consider moving your call center to the cloud is now. Many of your peers already have.

About Evolve IP

Evolve IP is a leading cloud-based technology provider that offers businesses a better way to buy and manage their applications, infrastructure, and security solutions. We help organizations outsource technologies that are not within the budget, skills, or focus of their IT resources. Evolve IP customers upgrade their legacy environment without capital expense, accomplish more with enhanced features, increase stability and control with an award-winning portal, and reduce their carbon footprint, allowing them to focus on their core business and reduce costs. More information about Evolve IP is available at <http://www.EvolveIP.net>.

More information about Evolve IP and its Call center solutions is available on the Web at <http://www.EvolvedCallCenter.com>.