

Merry Christmas & Happy Holidays



Volume 7 Issue 59
12/30/2009

Understanding the Cost of Providing Customer Service

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About twenty five years ago, a former OSU college friend had returned to Columbus after playing a half a dozen years for the Chicago Bears to open up several Burger Kings locally. One day when I met Doug Plank at one his Burger Kings in Columbus for lunch he pointed out new construction at the other end of this little strip mall. Doug said, "Look at that,...That's a new McDonalds, how do I compete with that, they are the largest fast food restaurant chain in the world?" I replied, "You compete with that by providing better customer service." Doug, "Continued by saying, "You don't understand, "Its McDonalds.....I told Doug, "We sell printers and terminals against a little company called IBM and as you know, ODT isn't that large when you compare it to IBM."....."You do so by being better at Customer Service and more responsive to the client's needs.

In these tough economic times, one of the ways a firm can be more competitive in the market place is to provide outstanding customer service. In most organizations, the support center which provides an integral part of the customer service is tied to IT since that is where the data that the support center uses comes from. The implementation of our self-service Voice Response Unit is more than just selling the hardware software solution. It involves building the IVR application to address the issues and problems that the client is trying to resolve.

Most firms have considered its use as they are trying to lower cost for providing this customer service. What makes the selling and implementation of our solution so interesting is that we cross so many different verticals and different type of accounts. There is no cookie cutter type of structure as to what customer service needs to be as this varies greatly from vertical to vertical as well as account to account. The type of customer your firm needs to provide support to is also critical in determining what customer service traits are needed. The type of industry and the demographics of the customer as well as the geographic location will affect the level and type of customer service.

It is very hard to make generalizations regarding customer service but one thing we always can state, the cost of a support request will be addressed less expensively



by a self-service call addressed through our VRU solution rather than being answered by a live customer service representative. That is true no matter what type of alternative customer service is being provided (email, fax, chat).

If you are responsible for customer service within your firm, I would like to recommend a resource we recently learned about "Help Desk Institute." They can be reached at www.ThinkHDI.com or 800-248-5667. HDI is very affordable and provides a host of information, reports and training for its members. Founded in 1989, HDI is the world's largest membership, training, and certification association for technical support professionals. HDI curriculum addresses the needs of technical support professionals throughout their careers and the various maturity levels of their support operations. They also publish a yearly report on the customer service practices and a salary survey that is a consolidation of information they assemble from surveys filled out by they members each year. Please visit their web site to learn more about HDI.

Many of the trends we have seen are backed up by HDI data. For example, we are seeing a change in the demographics of the customers that our clients need to support. Many of our systems now have implemented other languages besides English and this trend is supported by data from HDI.

Now, it is obvious that not all firms need multi-lingual support and this will depend on the customers you are trying to support but it is very common to have Spanish as well as other foreign languages on our client's applications.

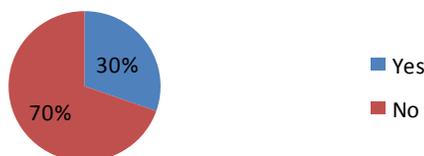
One of the reasons a lot of our clients incorporate our solution is the need to provide 24/7 customer service. It may be cost prohibitive to provide around the clock customer service with live personnel but the need for 24/7 service varies based on the industry. Support offered 24/7 varies vertical to vertical but 25-33 % of the companies that were surveyed by HDI had support for users on a 24/7 basis. Another interesting point from HDI was the amount of time support staff spends on incident management. This is an important stat as most of our account CS Representatives have other job functions.

Percent of day support staff spends on incident management



The most important fact has already been stated, that a self-service approach to fulfilling a customer's request is always more affordably addressed if done through a self-service application such as the ODTVision Voice Response unit. This is even more affordable than doing the same incident through a web self-service application.

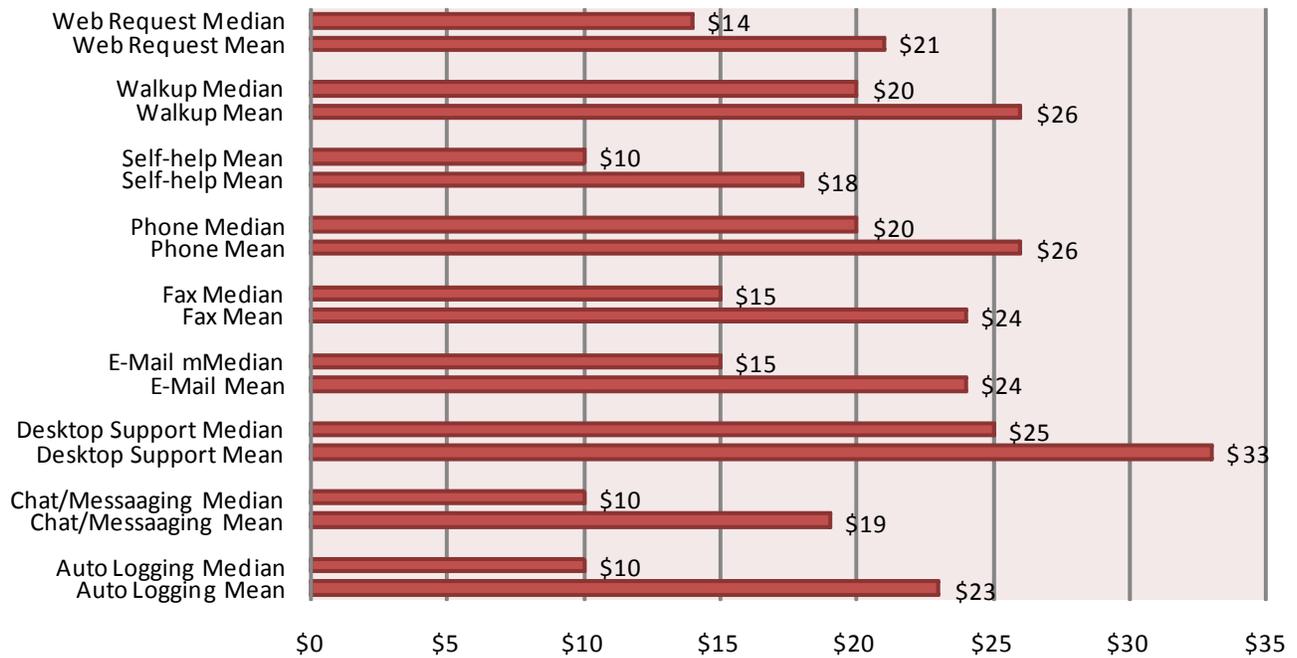
Support centers that provide multi-lingual support



Vision Voice Vantage, Inc. is a certified ISV for IBM. Visit our web site on IBM.com at <http://www-304.ibm.com/jet09002c/gsdod/solutiondetails.do?solutionId=25001&l>

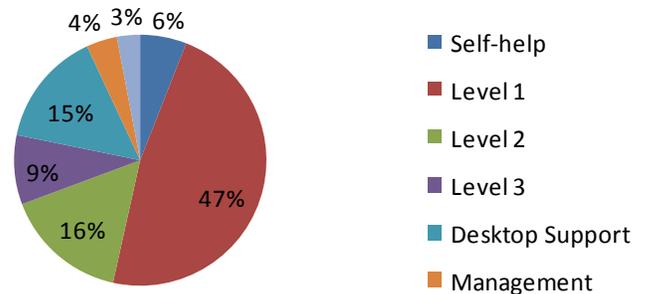
HDI report showed the cost of incident based on channel to handle the CS request.

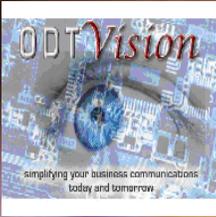
Average fully-budened cost for the support center, per incident resolved by each channel



It is also interesting to see at what level of support most incidents are resolved. Once again, this is HDI's combined assessment and this will vary from industry to industry but it helps in understanding the different costs of providing customer service. I strongly recommend you consider membership in HDI so you can get information that is more specific to your marketplace.

What percent of incidens are resolved at the following points





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THINKING OUTSIDE THE BOX Get Your Own Demo Today

Contact us to get your own demonstration of the ODT VISION Voice Response Unit. This demo application is a simplistic order entry and shipment status system which is running off a Microsoft Access database. The demo is in the test mode and you will be using the "Test Phone" feature of the ODT VISION VRU to simulate a phone call to the data. Manuals and case studies are also available on the web site.

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IBM Solution Connection..
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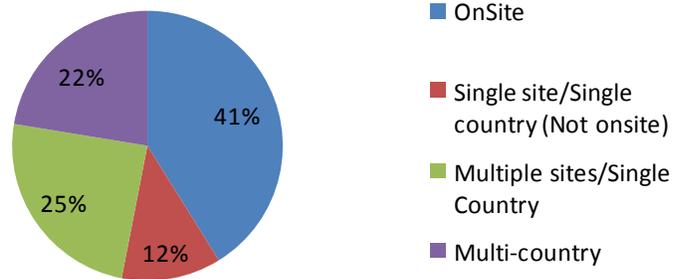
<http://www-304.ibm.com/jct09002c/gsdod/solutiondetails.do?solutionId=25001&lc=en&stateCd=P&page=1>

http://search400.techtarget.com/productsOfTheYearWinner/0,296407,sid3_gci1157611_tax302575_ayr2005,00.html

It is interesting to examine the trend of where the support center is located. It is still true that for the most part, support centers are still located near the customer and near the data that is used to support the customer.

Finally we see that the trend to outsource or move to other countries is slowing. It could be that this is due to the economy, or a reduction in the quality or cost savings that outsourcing provides. We do see a general trend where firms want to control their own customer service and the HDI data backs up this statement. Please feel free to contact us to discuss your needs and once again, we recommend you look into HDI and what it can do to help you meet your customer service goals. We all hope that 2010 is a prosperous New Year and we look forward to working with you in 2010 as in the past. ■

Location of support centers within support organization



Why support organizations aren't outsourcing more? (select all that apply)

