



FEDERATING CUSTOMER SERVICE:

AN EFFECTIVE APPROACH TO SIMPLIFYING YOUR
MULTI-DIMENSION CONTACT CENTER OPERATION

TABLE OF CONTENTS

Executive Summary.....	1
Market Dynamics Affect Customer Service.....	2
Contact Center Challenges.....	2
Federating Customer Service for Multi-Dimension Contact Centers.....	4
Why Federate Your Contact Center?.....	5
Vision of Federated Customer Service — Going Beyond Voice..	6
The Advantages of the Genesys Federated Customer Service Solution.....	7
Conclusion.....	8

Executive Summary

Contact centers have undergone various changes in the past few years — reflecting the business challenges that are affecting marketplace conditions. Organizations across all industries have increasingly adopted multi-sourcing contact center operations — including outsourcing, virtualization, and/or hosting services with a view to saving costs and flexibly managing customer services — the adoption of which will continue to grow despite the global economic meltdown.

On top of such multi-sourcing operations, many organizations have been consolidating disparate contact centers with integrated management capabilities. In addition, the numerous merger and acquisitions (M&A) have greatly challenged business leaders to sort through all the dynamics within and beyond contact center operations in order to maintain business continuity.

In such a critical time, it is essential for organizations to position customer service as a key competitive differentiator.

This white paper provides insights on how Federated Customer Service can help businesses simplify their multi-dimension contact center operations and improve flexibility in order to optimize customer service dynamics with minimum impact to contact center autonomy.

The concept of FCS is to create a “loose integration” between two or more disparate contact center operations while maintaining individual autonomy with independent software, configurations, databases, routing strategies, management, infrastructure, and resources.

Market Dynamics Affect Customer Service

In recent years, improving customer service has been recognized as the key to sustainable business growth by many successful companies, and has become an important competitive differentiator. The customer’s experience with a company directly impacts the customer’s opinion toward the company and their offering. If the experience is not a good one, it can send the customer into your competitor’s camp. Knowledge of a bad experience could spread quickly and widely in the customer community through ubiquitous communication channels (like blogs and social networking communities) and damage the company’s image for a long time.

Customers today have high expectations for a company’s customer service performance. Many customers demand a great deal of attention as well as high quality service during their engagement with a company. Great customer service naturally increases customer satisfaction, which results in loyalty to the company, generates repeated business, and drives sustainable growth.

Besides increasing customer expectations, companies also often face financial pressure together with organizational shifts toward leaner and more cost-effective operations. Many organizations even experience internal down-sizing and external consolidations, like mergers and acquisitions.

The contact center has become the front door for customers to interact with companies. Due to today’s volatile market dynamics and economic pressures, business leaders face the great challenge of how to manage, and even simplify, their disparate contact center operations while maintaining, and even improving, customer service delivery to gain a competitive advantage.

Contact Center Challenges

In the past few years, organizations have increasingly adopted a multi-sourcing approach for contact center operations which include outsourcing, off-shoring, hosting, and virtualization to increase operational flexibility and reduce costs. In particular, the outsourcing and hosting operations have emerged as a key strategy for many enterprises seeking cost effective, adaptable, and scalable customer service operations. These enterprises reap the benefits of having the ability to manage customer service traffic fluctuation, reduce or eliminate up-front capital expense (CAPEX), and lessen the burden of managing agent recruiting, training, and attrition.

To establish successful multi-sourcing operations with great flexibility and control, companies need to adopt the approach of simplifying their operations with minimal impact to the organization.

The challenge for contact center managers, IT support teams, and corporate executives to simplify contact center operations is multi-faced — as it also impacts the organizational structure and business strategy. It not only involves the contact center operations, but also impacts the organizational structure and business strategy.

When assessing the simplification of multi-sourcing options, companies should look into several crucial factors:

Business Benefits – What are the major drivers for the simplification approach?

- Lowering costs, increasing productivity, improving customer satisfaction, gaining a competitive edge, and/or winning more business?

Control and Autonomy – Who will gain the control in a multi-sourcing environment, and how?

- Whether and how to be autonomous of your own operation? How will your contact center be in control of, or be controlled by, external teams?

Security – What level of security should be applied?

- Do you allow external parties to have access to your network and data?

Flexibility – How much flexibility is needed to manage the multi-sourcing?

- How flexibly can the multi-sourcing arrangement be modified and re-deployed? How much time and effort is budgeted for such changes?

Performance – What level of performance is required for the multi-sourcing?

- How efficient is the operation? What level of scalability is supported? Is it required for disaster recovery and emergency back up? How is the data flow shared and collaborated on?

Management – What level of manageability is required?

- How much effort is involved for operation configuration and provisioning? What measurement for performance tracking is used?

Customer Service Strategy – What is the appropriate strategy for your business?

- Do you employ a full or partial outsourcing or hosting arrangement? What application should be deployed? Should it be deployed in phases or not? (For instance: core services in-house, outsourcing others, and so on)

Organization – How will you manage the impact to the organization, if any?

- What is the impact both to the contact center and to the enterprise? How will you manage these impacts?

Deployment Strategy – How will multi-sourcing operations be deployed with less cost and effort?

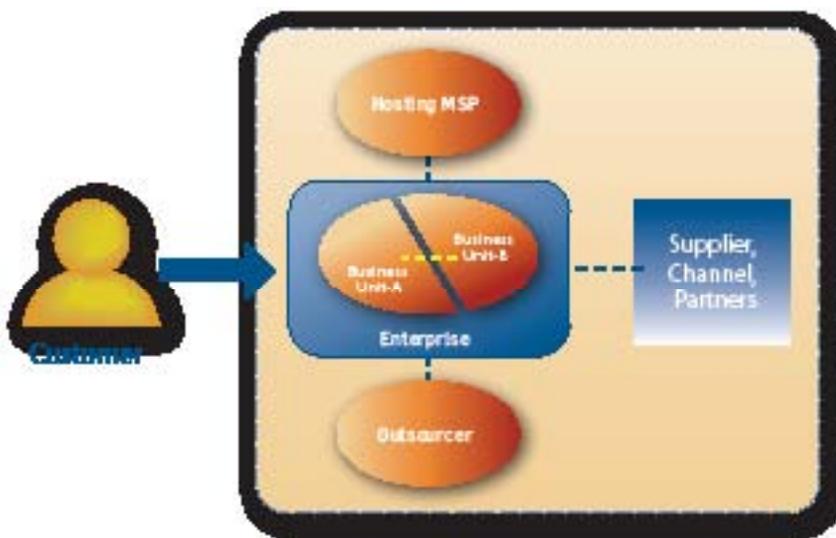
- How much time and cost is needed to deploy the multi-sourcing? What is the impact to the current operation? What is the migration strategy, if any?

It is important for companies to look into and address the above items before marching down the path toward multi-sourcing operations. Regardless of the specific approach and strategy, the most important guiding principles are simplicity and manageability, which will naturally result in great ROI and minimum impact to the organization.

Federating Customer Service for Multi-Dimension Contact Centers

To address various aspects of contact center operations, multi-dimension environments consist of the following operational dimensions:

- Outsourcing Services
- Hosting Services
- Inter-Enterprise — external customer service collaboration among suppliers, channels, and partners
- Intra-Enterprise — internal customer service collaboration among multi-independent contact centers of separate business units within one corporation



Many organizations — medium to large enterprises in particular — have one or more of the above dimensions in their customer service operations, which often come with complexity and require great effort to manage. Such complexity grows dramatically when the operations involve various types of interactions, applications, collaborations, resource management, changes, technologies, and infrastructure.

The good news is that such complexity can be managed with an innovative and simple solution: Federated Customer Service (FCS). The concept of FCS is to create a “loose integration” between two or more disparate contact center operations while maintain-

ing individual autonomy with independent software, configurations, databases, routing strategies, management, infrastructure, and resources. The objective of FCS is to provide a mechanism for optimized customer call routing, including delivery of call context information, and real-time and historical reporting between independent contact centers. With FCS, one enterprise is able to leverage another enterprise’s capabilities, infrastructure, and resources to essentially expand its customer service operation.

This FCS capability can be used to solve various business needs, such as:

- Providing a quicker and more efficient approach for connecting high value customer service calls to high quality agents or knowledge workers residing at a partner site or a sister company without having to resource that capability internally.
- Overflowing calls to an outsourcer where lower-priced agents are readily available, yet allowing for autonomy between the environments.
- Supporting the security needs of a bank or a government organization while maintaining completely separate environments and only exposing selected resources, messaging, and business data in order to support a controlled collaborative environment between these institutions.

Figure-1 Multi-Dimension Contact Center Environment

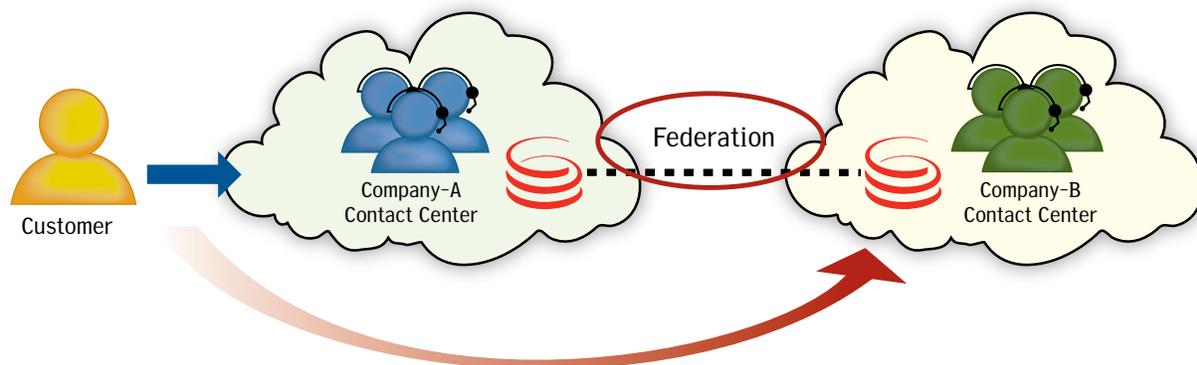


Figure-2 Federated Customer Service (FCS)

Why Federate Your Contact Center?

With the multi-dimensional contact center environment, it is crucial to maintain cohesive operational focus and collaboration to achieve optimal customer service performance. Simplifying operational complexity results in improved productivity, greater adaptability, and increased cost savings.

With FCS, organizations are able to expose only selected resources to other federation members. Due to the straightforward provisioning process, organizations have full flexibility to scale-up, scale-down, and/or re-deploy the FCS operation covering different resources in a short period of time. Hence, in addition to supporting day-to-day operations, FCS naturally also supports contact center disaster recovery.

In multi-dimension contact center operations, FCS presents the following key business values:

1. Supports organizations to adopt outsourcing and hosting operations to fully reap financial benefits by shifting from front-end capital expense (CAPEX) to operational expense (OPEX).
2. With FCS, outsourcing and hosting service providers are able to reduce considerable lead time and quickly collect revenue by rapidly deploying and provisioning new services to their clients. As a result, FCS boosts the competitive edge for these service providers to win clients and business.
3. Enterprises gain more control and pricing power over outsourcing and hosting service providers with the choice of re-deployment FCS to alternative providers and avoiding lock-in to a specific vendor.
4. Enables seamless collaboration of joint customer service engagements between two independent internal business units or external suppliers or partners. Each company has total control of its own resource and information sharing parameters.

Vision of Federated Customer Service — Going Beyond Voice

Even though the telephone is the most common customer service interaction channel, the concept of FCS can go beyond just the voice application. Organizations can expand FCS for additional services such as IVR, e-mail, IM, fax, work items, etc., to provide comprehensive customer service operations.

In addition, the federation linkage model can be extended beyond just two independent contact centers. Organizations can apply FCS to simultaneously federate a group of institutions including outsourcing/hosting service providers, various partners, suppliers, and even customer communities to form a very powerful customer service network. Therefore, a given customer request can be seamlessly serviced and collaborated by multiple federation members.

For example, this service network concept is applicable to tasks in almost all industries, such as:

- Mortgage applications that are handled between the real estate broker, mortgage company, and credit agency
- Auto Insurance claims that are handled between the insurance agent, assessor/adjustor, repair shop, and police department
- Healthcare service claims that are processed between the clinic office, insurance agent, bank, and hospital
- On-line merchant purchases that go through the retailer, credit card company, vendor, shipper, and installer

This indeed presents a huge business opportunity for outsourcing and hosting service providers who act like brokers to efficiently provide a variety of customer services within such a federated service network.

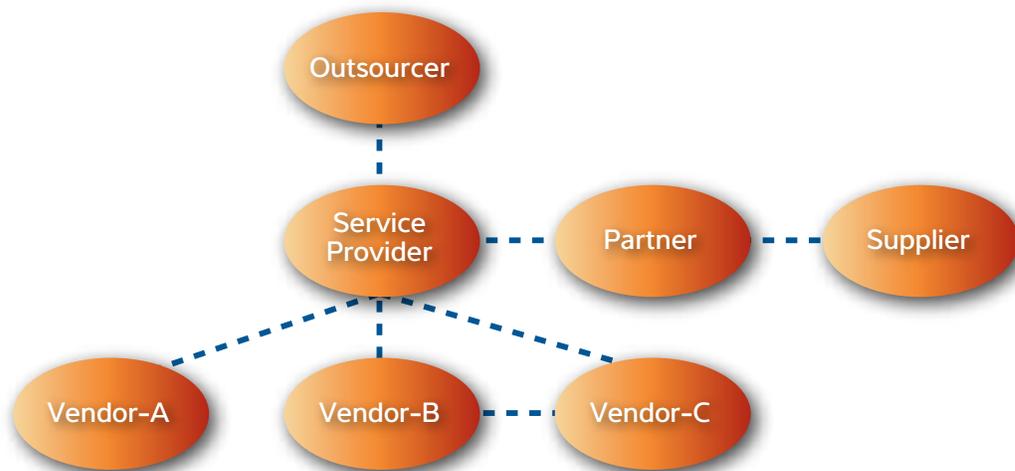


Figure-3 Federated Customer Service Network

The Advantages of the Genesys Federated Customer Service Solution

The Genesys Federated Customer Service (FCS) solution simplifies multi-dimension contact center operations. With FCS, each contact center environment is able to maintain its autonomy; therefore, there is no need to merge or integrate independent contact center environments. This not only saves time and costs spent on such tasks, which can get very complicated for a large size project, but also eliminates the risks to business operation continuity.

The Genesys FCS solution is designed to allow the routing or transfer of customer service interactions and their attached business data to another independent contact center resource, such as an agent, an IVR port, a routing queue, etc. The advantage of the call being initiated and serviced in a federated environment is that, when a given customer call is routed or transferred across the border, the assigned service agent at the other federation member is able to seamlessly continue to service this customer, as all data regarding the call is available to him/her at the time the call is routed.

For example, account information given by a customer to the initial contact center federation member is fully presented to the routed agent at the second federation member, so there is no need for the customer to repeat the information again. This greatly reduces customer frustration and expedites the handling of the customer request. Since the autonomy is fully supported by Genesys FCS, each federation member contact center is secure and protected, as no external access to its environment and infrastructure is allowed.

With the full control of selected resources under federation, each federation member contact center is able to quickly change or adjust resources based upon business needs. For example, an outsourcer can activate or deactivate certain federation seats from its agent pool to accommodate the seasonal fluctuation of the client's customer service volumes.

In addition, Genesys FCS supports a flexible customer call routing strategy and, therefore, call routing can be performed at either of the federation members' contact centers. For example, an enterprise client has the flexibility to route a customer call to a specific skilled agent of the outsourcer, or just transfer this call to the outsourcer to route the call to its own agent. In either case, the customer interaction statistics will be logged in the local system and propagated to the other federation member. Furthermore, Genesys FCS supports high availability (HA) on the federation linkage for operation fail-over and disaster recovery.

Together with the full suite of Genesys' dynamic customer engagement solutions, the Genesys FCS presents strong, unique business values:

- Leverages Genesys' advanced contact center solutions for optimal customer service performance
- Infrastructure agnostic — supports TDM, IP, and hybrid contact center environments. There is no need to rip-and-replace the current infrastructure
- Genesys-enabled contact center environments that are already in operation provide tremendous business opportunity for the federation of all parties

Conclusion

Genesys Federated Customer Service (FCS) enables distributed, yet loosely coupled, contact centers for collaborated customer services without physically retooling or relocating existing infrastructure. As a software-only solution, Genesys FCS simplifies contact center environments to federate agents and resources as if they were in one contact center operation.

This solution offers a cost effective and efficient approach to providing multi-business federation across enterprises, outsourcers, hosting service providers, and/or alliance partners while maintaining the autonomy and security of, and investment in, existing contact center operations.



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Genesys is the world's leading provider of customer service and contact software — with more than 4,000 customers in 80 countries. Drawing on its more than 20 years of customer service innovation and experience, Genesys is uniquely positioned to help companies bring their people, insights and customer channels together to effectively drive today's customer conversation. Genesys software directs more than 100 million interactions every day, maximizing the value of customer engagement and differentiating the experience by driving personalization and multi-channel customer service — and extending customer service across the enterprise to optimize processes and the performance of customer-facing employees.

For more information visit: www.genesyslab.com, or call +1 888 GENESYS.

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