



The Benefits of Call Center Outsourcing

For Years, small to medium-sized companies have outsourced parts of their business (payroll, accounting, etc.), in order to save time or fill a void in specialized skills. Increasingly, larger companies are also turning to Business Process Outsourcing (BPO) as a strategic business decision and cost saving initiative, and are doing so with great success. Through outsourcing companies are finding many advantages, and are better able to:

1. Meet increased market pressures for Value-added services;
2. Meet customer demand for real-time customer service, ALL the time; and
3. Keep up with national and global competition.

The call center industry emerged out of this evolving service need, and today is the major provider of outsourced solutions. According to Frost & Sullivan (www.frost.com), the outsourced call center industry reached \$22 billion in 2002, and is projected to increase to \$25.7 billion by 2009, to serve this growing demand.

While cost reduction is commonly regarded as the primary advantage of call center outsourcing, other benefits cannot be ignored. Your company is a 3-dimensional structure supported by more than just the bottom line. See how outsourcing can benefit you on multiple levels.

Benefits

Cost Reduction

Although cost savings is not the only motivator for outsourcing call center services, it is an important factor to consider. Outsourcing your call center to a third party enables you to convert fixed costs into variable costs, which means you only incur costs when you sell a product or deliver your services. Lower fixed costs translate into reduced start-up and operating costs, especially at early stages of a company's lifetime (or marketing initiative).

Outsourcing call center services also eliminate redundant HR costs inherent in hiring/firing staff for short-term and cyclical projects.

Flexibility

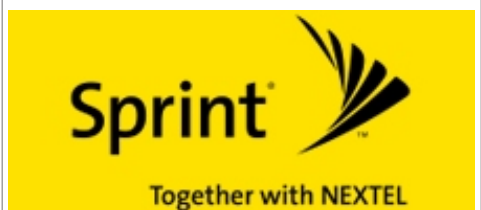
When launching a marketing campaign or new customer service line, predicting call volumes can be a daunting task how many operators will you hire to handle your calls? Too many, and you're losing money: too few, and you're losing money due to missed calls.

Take out the guesswork. Outsourcing to an established call center ensures that no call goes unanswered. If you're dealing with a proven, experienced call center, they have the staff and technology to flex up and down according to your call volumes. This is an important cost savings advantage, especially when factoring in new agent hires/layoffs (and the associated costs) during the peaks/valleys of your business cycle.

Airline Reservations & Back office Process:

- ◆ Online Reservations & Confirmations
- ◆ Back Office Data Processing
- ◆ Flown Revenue Accounting
- ◆ Fare Audit
- ◆ Interline billing audit
- ◆ Interline invoicing
- ◆ Ticketing refunds handling
- ◆ Scheduling
- ◆ Frequent Flyer Program Management
- ◆ Email Support
- ◆ Mishandled Baggage

US Processes



UK Process



Australia Process





Quick "Ramp Up" times

Another advantage of using an outsourced call center solution is their flexibility to ramp up quickly, should the need arise. A well-staffed outsourcing partner will have the resources to start your projects faster than you could in-house. They've got the staff, so you don't have to go through the hiring and training process. They also have an established IT department, so you don't have to program the technical/customer support applications needed to support your business or campaign. These days, business requires you to strike while the iron is hot so you must be ready to act.

Focus on Your Priorities

When you run a business, large or small, you have many important matters to tend to. Call center outsourcers are experts in the business of customer service and in handling those other activities that keep your business operating smoothly from order taking to customer account status updates. While these activities remain vital to your business, they can easily be outsourced to customer-service experts, so you can shift focus onto those business priorities related to better serving your customers.

Make an Impression

Make a positive impression on your customers by providing customer service around the clock, without incurring infrastructure or personnel expenses. An outsourced call center can also keep start-ups appear more established. Instead of running your business off a cell phone, you'll have a live person answering your calls, 24 hours a day.

Multi-dimensional strategy

Along with cost reduction, there are many other advantages to outsourcing your call center needs. As with all business situations, success does not come without weighing out both Pros and Cons. However, firms that take a planned and articulated approach to outsourcing will succeed in managing these situations better than those who rush without proper deliberation. The best approach to outsourcing is to look at your overall strategy in multiple dimensions, and not merely cost reduction. The question thereafter becomes, where to outsource, and how to choose the right call center for you.

Related Articles (located at www.melcotech.com)

[Choosing the Right Call Center Outsourcing Partner](#)

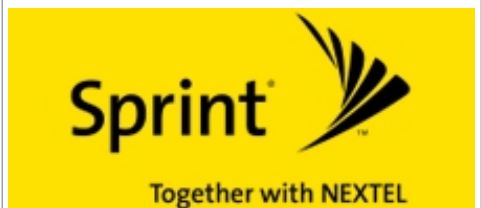
[About MelcoTech](#)

MelcoTech (www.melcotech.com) is an award winning call center outsourcing company that provides practical and affordable customer relationship management solutions across various industries. Using the most advanced technology in the industry and Certified sales and Customer Service eReps, MelcoTech is dedicated to helping clients increase their sales and strengthen their customer service. Currently, the company's primary products are the outsourcing of inbound call center services and live online support solutions such as Lives Web Chat.

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