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Purchase Influencers Revealed in NACC Survey

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As we did in our 2008 survey, we once again asked respondents in our 2009 survey which factors influenced purchase decisions over the previous 12 month period. What we had hoped to do with this question is track changes in factors that influence the purchase decision and see how these trends may be affected by other factors such as the economy or innovative marketing techniques. As we suspected, there were shifts in 2009 that indicate buyers are influenced by different factors than they were in 2008.

We provided a list of potential influencing factors on the survey and asked respondents to pick the top two factors that will influence their purchase decisions over the coming 12 months. As you will see in Figure 1 below, we added two categories in 2009 that weren't there in 2008, "ROI" and "Information on other websites/blogs." We added these because ROI received a large number of write-in answers in 2008 and, as we all know, there is now a proliferation of specialty websites and blogs out in the cybersphere that industry pundits tell us are very influential in purchase decisions. We thought we'd find out for ourselves.

Figure 1 represents the respondents' selections of influential purchase factors for both 2008 and 2009.

Figure 1: Survey Responses to Factors that Influence Contact Center Purchase Decisions

Stock	Price	Value	Change
NICE	30.44	7.58	-2.42
VRNT	14.50	5.92	-4.08
SYKE	20.82	10.96	0.96
WIT	17.95	11.98	1.98
CVG	9.94	5.63	-4.37
TTEC	17.06	7.42	-2.58
ICTG	10.50	10.08	0.08
APAC	5.92	26.79	16.79
TOTAL		86.35	6.35

Original Value start 11/6/2007 =US$90.00 or US$10.00 per stock. Then Nortel went bankrupt so we have adjusted the investment portfolio and now the new start value would be $80.00 or $10.00 per stock.

Total Portfolio Value Now= $86.35, up a dollar or so from the past two weeks and still in the black. 50% of the stocks in the portfolio are now in positive territory, Sykes, Witness, ICT Group and APAC. Though the third party call center providers continue to do well, we are starting to see some pick up in activity with NICE and Verint as well. I suspect that the technology investors are moving back into the market with the recovery progressing and some of these technology investment dollars will find their way to NICE and Verint. Considering the boom in the third party market during the recession it would follow that call center technology acquistion will follow.

NACC Composite Index

Positive Influencing Factor	2008	2009
Price	53.40%	48.60%
Return on Investment (ROI)	N/A	57.00%
Prior Relationship with Vendor	17.20%	18.70%
Prior Relationship with Salesperson	1.70%	0.00%
Trust in Brand Name	19.80%	13.10%
Company Reputation	25.00%	13.10%
Peer/Colleague Recommendation	7.80%	13.10%
Management Directive	18.10%	20.60%
Trade Show Demonstration	2.60%	2.80%
Information on Company Website	3.40%	0.00%
Information on Other Websites/Blogs	N/A	0.00%

Source: National Association of Call Centers, October 2009

Not surprisingly, price is still at the top of most respondents' list of influencers along with ROI in 2009. What is somewhat more surprising is how some influencing factors have dropped in importance or have dropped off the list altogether.

In 2008, company reputation came in second as an influencing factor for purchase, right behind price. This year company reputation is essentially half as influential as it was last year. Management directive is growing in influence along with the prior vendor relationship factor. Peer and colleague recommendation has also grown significantly in terms of its influencing power. I suspect this is because channels of communication typically open up and the trust factor among colleagues increases during times of challenge and difficulty. We have seen this ourselves at the NACC as we have orchestrated connections between members who are willing and able to exchange ideas and experiences in order to help each other.

The most surprising result in terms of influencing factors has been the fall from grace of information on company websites and information on other websites and blogs as influencing factors. None of our respondents indicated either of these factors as being influential in their purchase decisions. It is important to note that the results of this survey are representative of the contact center industry as a whole at a 95 percent confidence level and a confidence interval of 10.

Vendors of contact center technology solutions tend to run like a herd of lemmings toward whatever the perceived marketing strategy du jour is. A few years ago it was trade shows and trade magazines. Our survey indicates trade shows to be minor influencing factors today while trade magazines, with the exception of high-quality journals such as Contact Center Pipeline, have almost disappeared from the landscape. For the past few years, the industry has been focused on websites and blogs as the way to reach buyers but our survey indicates that this is not effective in 2009.

I believe the next marketing channel to be over-used to the point of ineffectiveness, like websites and blogs, will be social media. Buyers should brace themselves for an avalanche of invitations to follow certain companies on Twitter or to become a Facebook fan of one company or another. Social media and Web 2.0 applications will be added to our next survey as potential influencing factors and we will

Date	Value	Change	Percent
11/6/07	100.00		na
12/5/07	94.38	-0.56	-0.60
1/15/08	80.89	-17.02	-21.04
2/13/08	75.56	-1.98	-2.63
3/12/08	65.47	-11.25	-17.18
4/9/08	68.98	1.06	1.54
5/7/08	77.31	3.14	4.07
6/4/08	81.51	2.93	3.60
7/2/08	70.28	-10.20	-14.52
8/13/08	65.57	-0.97	-1.48
9/10/08	66.55	-1.69	-2.54
10/8/08	43.24	-13.67	-31.62
11/5/08	43.26	1.43	3.31
12/3/08	36.19	3.30	9.13
1/7/09	42.75	2.10	4.92
2/4/09	35.68	-0.55	-1.54
3/4/09	30.94	-2.42	-7.82
4/15/09	43.13	5.25	12.18
5/13/09	50.72	2.19	4.31
6/10/09	61.67	6.00	9.74
7/8/09	54.48	-0.59	-1.08
8/5/09	73.97	7.50	10.13
8/19/09	72.54	-1.43	-1.98
9/2/09	74.97	2.44	3.25
9/16/09	81.26	6.29	7.74
9/30/09	85.36	4.10	4.80

The *NACC Composite Index* was up this week by 4.80%-modest, but not bad. This is not as large as two weeks ago when we had a 7.74% gain, but alas, not all two-week periods can be stellar. Just looking at the last five reporting periods the index was up 10.13%, down 1.98%, up 3.25%, up 7.78% and up 4.80%. This is not a bad run from a 73.97 to a 85.36 now. It is not at the 100 points where started in November 2007 but we are headed in that direction.

Dow Composite	-0.81%
S&P 500 Composite	-1.11%
NASDAQ Composite	-0.51%
NACC Composite	4.80%

The *NACC Composite Index* was up 4.82% this past two weeks while the other major indices were all down slightly. Though I prefer to see all markets and all indices up, if I have a choice, I like to the NACC Composite beat the other broad-based indices like it did the past two weeks. Once again this suggests more strength in the call center market generally than

continue to track the factors that influence your purchase decisions and those of your peers.

From the Trenches

Becoming the Best: Assessing your Front-Line Operations

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Our first two articles in this series defined a strategic context for a contact center assessment (article 1 and article 2). Now we turn our attention to your front-line operations – the customer-facing function of your center. This area defines the service you provide to customers, the relationships you develop to solidify future revenue, and/or the direct revenue you generate. Well-conceived front-line process changes – even minor ones – can drive efficiency, improve service, increase revenue, and create synergies with the business strategy.

Defining the Scope of the Assessment
A front-line assessment covers two primary areas – contact routing and contact handling. It begins by considering the dimensions along which contacts are differentiated – by call purpose, product or service, customer segment, customer-specific data, agent skills, time of day, and/or other criteria. It traces the path(s) that each group of contacts takes. It considers all media types, including email, chat, and inbound and outbound calls.

Once the "who, what, why, when, and where" of routing are specified, the assessment proceeds with a thorough review of the handling process for each contact type, including the documentation and training – the "how." Is the process clear? Is training sufficient for staff to execute each process efficiently, effectively, and consistently? Does the center reinforce processes through monitoring, reviews and metrics? Above all, are the processes aligned with the strategic triumvirate – business, operations, and technology? (See NACC In Queue - Becoming the Best: Assessing your Strategic Alignment)

Other areas for consideration include self-service and its synergy with agent assisted calls, the center's approach to process design and improvement, agent desktop processes, and messages that agents use to communicate with customers.

Operations Issues and Opportunities
We've noted some common themes when we've conducted assessments that include front-line operations. The quest for information on different contact types often drives centers to go overboard on call routing segments. They capture data through caller responses to menu options when they should use agent-entered codes or built-in logic in the desktop application. Multiple paths through the caller menus wind up routing to the same set of agents – a needless irritant for callers. Moreover, agents carry an excessive number of skills to ensure these over segmented calls get to them. It creates excess baggage in reporting and management and sub-optimizes operations.

On the agent desktop, multiple, cumbersome applications are often required for a single call resolution. Lacking integration, agents "wear

Picture of the Week

out" the copy and paste command keys. It results in high call handle times, increased errors, and frustration for agents. Worse yet, the desktop may not provide ready access to information. This deficiency drives excessive transfers, long handle times, and needless escalations.

Another area to target is routing and handling multimedia contacts. Media silos are far too common. Customers have different experiences on different media channels with email a notorious underperformer (manual routing, no tracking, and therefore no target response time). Agents have no visibility into other media – but they certainly hear about them! A better approach is to use skills for all media and route contacts using a multimedia routing engine. This approach ensures consistent handling and integrated reports which are crucial to planning and staffing.

We also keep an eye out for manual processes that drive inefficiency. Long hold times, long after-call work times, and agents out of schedule adherence are symptomatic of agents trying to keep up with burdensome manual processes.

Finally, it doesn't serve the company if the contact center runs like the wind but drops the baton when handing customers off to other departments. As such, the operations assessment needs to review end-to-end contact routing and handling for all media, including contacts that start in self service (IVR or web) and contacts that move on to other departments.

Apply Best Practices to your Front-line Operations
Best practices bring focus to an assessment and the action plan for improvement. Here are some of the hallmarks of a best-in-class center:
-Processes for contact handling are well defined, reinforced, and consistently executed.
-Center access (hours, numbering plan), contact routing (including menus/prompts), and skills consider customers first while balancing the needs of the business and the center.
-Processes are designed to ensure customer expectations are met and operations are efficient and effective. The end-to-end experience is considered, even when other departments play a role in addressing customer needs.
-Continuous process improvement initiatives are in place to ensure ongoing optimization.

Happy National Customer Service Week!

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I got a call this week from Candace Flynn at Verint wishing me a happy National Customer Service Week, which runs from October 5 – 9 of this year. Candace called to remind me to make out my Customer Service Week wish list for the Great Customer Service Week Fairy and to make sure I ordered the party platters for the Feast of Customer Service. I love this time of year.

Seriously, National Customer Service Week was established in 1992 when the U.S. Congress proclaimed Customer Service Week a nationally recognized event to be celebrated annually during the first

The top photo is a new and clever device that my wife purchased to store her threads-called a yarn tree. I love clever storage items like that. If you did not know, she is a weaver and makes scarves, hand towels, shawls, etc. see photo below of a scarf (some of you I know have bought items from her). I thought these photos represented the season of fall moving into winter quite well. I hope you enjoy the colors as much as I do.

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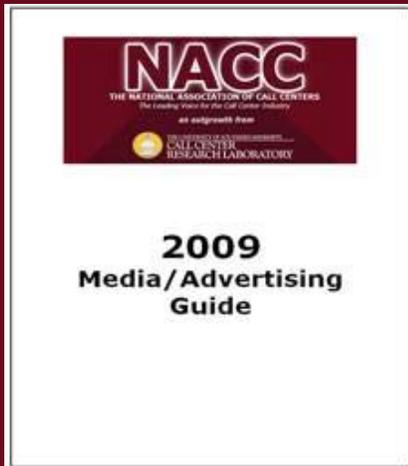
full week of October. Lots of customer service professionals take this seriously – at least more seriously than I do – and plan activities and celebrations for their contact center staff. If you'd like to do something for your contact center but are lacking ideas for what to do, be sure to check out the website that's dedicated to the celebration of Customer Service Week all year long, www.csweek.com.

I used to write about Customer Service Week when I wrote a monthly column in an industry magazine, back when industry magazines were still plentiful. I recall one year my longtime friend Oscar Alban, who also happens to work at Verint, sent me something that I ended using in my column and I dug around until I found it to publish again this year. Oscar came up with a Top 5 list -- not for people who work in customer service, but for people who use and call customer service centers.

Top 5 Things You Didn't Know About Your Customer Service Experience

• Agents are real people with real feelings.
• The agent you are speaking with may very well be part of a virtual contact center and working from the home next door to you.
• Agents do actually like their jobs and want to help – help them to help you!
• Sometimes agents do give out their real names on the phone, because they genuinely care about the quality of service delivered.
• Your calls actually ARE being monitored for quality assurance.

I should mention that Oscar spent many years running a 1,200 seat contact center for one of the major telecommunications carriers, so he knows what he's talking about, and I think he speaks well on behalf of customer service representatives everywhere. Even if you don't have any formal activities planned for next week it will still be a good time to take a few minutes to recognize the hard work and dedication of your front-line agents. Happy National Customer Service Week!

Call Center Comics!

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I DON'T UNDERSTAND WHY YOU ARE SO UPSET ABOUT THE TIME YOU HAVE SPENT ON THE PHONE. I TALK ON THE PHONE ALL DAY, AND I FEEL FINE!

If you like this comic and would like to see more write Ozzie at callcentercomics@yahoo.com and visit his website at

http://callcentercomics.com/cartoon_categories.htm or just click on the comic to take you to his page. The NACC appreciates Ozzie letting us use some of his comics in our newsletter.

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