

Inside



**ONSHORE VS.
OFFSHORE CALL
CENTER-
WHICH SHOULD
YOU CHOOSE?**



Guide to Choosing an Onshore or Offshore Call Center

A quality outsourced call center can save costs, enhance your company's image and help your business grow. Outsourcing your call center operations can increase productivity among your employees; relieved of the responsibility of handling calls, they will be free to focus on their regular duties.

Time is one of your company's most precious resources, especially when it comes to management. One study found that most executives spend 80 percent of their time attending to details, and a mere 20 percent on the more vital aspects of business planning and customer relations. Outsourcing can free up more of your time and allow you to place your focus where it needs to be.

Additionally your company can benefit from the latest technology that many outsourced call centers use, assets which might not otherwise fit into your budget.

Because of these and other advantages, the question for most businesses has become, not whether to outsource call center needs, but whether to use an onshore or offshore call center. There are advantages and disadvantages to each. This guide is designed to help you weigh the various factors involved in deciding between an onshore and offshore call center, and to help you find the right provider to fit your needs.

Advantages and Disadvantages of an Onshore Call Center

Most native English speaking customers are more comfortable speaking with a call center agent who is fluent in English. With an onshore call center, you eliminate the language barrier, as most onshore call center agents will be native English speakers.

A mainland call center will also be easier to visit, making it more accessible for hands-on training and management purposes.

Some consumers who have concerns about security issues may be more willing to divulge personal data when dealing with an onshore call center. This is important if your agents need to take customers' credit card numbers and other information in order to complete purchases.



The main disadvantage of an onshore call center is that it will cost you more to use their services. But a price comparison of onshore centers will find some that are lower than others due to being located in a part of the country—particularly the Midwestern United States—where the cost of living is lower.

It would be a mistake to base your decision on pricing alone; a call center that does not handle your callers' issues well could lead to customer dissatisfaction and loss of customers. While the issue is still debated, some businesses have chosen to stay with onshore call centers because they believe this leads to greater customer satisfaction and retention.

Consider your company's needs and objectives. If you are designing a brand new product or prototype, for example, or implementing any type of operations that is outside your company's usual range of expertise, you should seriously consider using an onshore call center. Using a call center within the same time zone and with easier access for hands-on interaction can be a huge advantage in such cases.

Advantages and Disadvantages of an Offshore Call Center

Off shoring centers in countries such as India, China, Vietnam and the Philippines offer expertise in a diverse array of B2B services, including software development, call center services, human resources, and product research and development.

In fact, most Fortune 500 companies are now leveraging offshore resources, and a large percentage of small to medium businesses are following suit, as revealed in a study by Duke University's Center for International Business Education and Research.

Of the companies surveyed, 73 percent said they turned to offshoring not only as a means to save costs, but also as a key component of their overall growth strategy. Advantages of using an offshore call center include:

Labor costs are much lower with offshore call centers, which can result in savings of up to 70 percent over onshore call center pricing.

Many offshore companies use development and training centers to make continual improvements in terms of quality, efficiency and reliability. These companies demand a high level of quality from their agents and require specific educational criteria,



experience and skill levels. They have committed to increasing customer service by raising the level of training and competency of their employees.

While sometimes listed among drawbacks of offshore outsourcing, the time zone difference has actually turned into a benefit as many offshore companies have begun to compensate by employing workers around the clock, giving you and your customers access to 24/7 service.

The lower cost is what motivates most business owners to choose an offshore call center, although there can be some drawbacks, including:

You do not have the opportunity for personal contact with the telemarketers for training purposes. However, many overseas call centers provide teleconferencing so you can connect with agents and be involved with their training. Some also employ highly qualified managers to oversee the training and orientation process.

English is the second language for most representatives in overseas call centers, which can result in some communication difficulties. Search for a company that only employs reps whose English is clear and understandable. Some of the more mature call centers, especially in India, have worked to greatly reduce any language or communication issues.

When you use an offshore call center, you may have little opportunity to oversee and manage call center employees in person to be sure your calls are handled properly. Here again, frequent teleconferencing can compensate for the distance to a certain degree. You can also perform periodic test calls to see how quickly and how well your calls are being answered.

Again, think about your company's objectives when considering an offshore call center. If your operations are mainly centered around high-volume manufacturing, product testing, and resolving issues rather than creating new products, or if your call center operations will not require diligent oversight, then an offshore call center might fit your needs adequately.

Local Companies with an Offshore Presence

Another option is to find a local company that has an offshore presence. This type of company can give you the best of both worlds by providing quality oversight of offshore facilities while still offering the lower pricing range that comes with an offshore call center. You will also be able to check in with the company's local office at your convenience.



Additional Factors to Consider When Choosing a Call Center

Dedicated Agents vs. Shared Agents

Another decision you will need to make is whether your business would be better served by dedicated agents, whose only job is to handle your company's calls, or shared (also known as blended) agents who take calls for multiple businesses.

This decision will require analysis of how much call volume you expect, the amount you are willing to allocate for call center service, and whether your company's services are highly technical or complex.

Using shared agents can cost your company much less than having dedicated agents answer your calls. However, if handling your calls properly will require a high level of knowledge about your services, you might want to consider using dedicated agents whose sole responsibility will be the professional handling of your company's calls. Dedicated agents will acquire detailed knowledge of your company's services in order to better communicate with your customers.

Purpose

Analyze your needs to determine the main purpose the call center will serve for your business. This will help you determine, first of all, whether you need a specialized call center or can use one vendor to fill all your communication needs.

If you are looking for specialized services, such as a vendor that will be able to troubleshoot technical issues with your products, then you will need to find a call center service that not only employs IT professionals, but that is also capable of learning your product line.

If you are looking for customer service representatives, make sure you find a call center that is capable of learning about the products that you deliver. By defining what your needs are, you will be able to find the right call center.

Price

Find out how the call center charges you for its services. Does it charge on a monthly



basis or annual basis? Will you have to sign a long-term contract? Will you be charged per call? The price of the services may vary a great deal, so be sure to find a call center service that meets your budget and that will not have hidden charges, such as surcharges for message relay.

Some call centers have a pay per use plan, which is ideal if you won't have a high call volume on a regular basis, or if you would like to test out their services before entering into a long-term agreement.

Get various price quotes depending on the workload. Even the busiest of companies hit lulls where the call volume isn't as strong and, conversely, seasonal periods where you can't even keep up with the amount of calls. Make sure the vendor provides you with prices for the various shifts in call activity.

How much you pay can also depend on the amount of direct attention you get from agents. As mentioned before, shared agents will cost substantially less than dedicated agents. You will pay about \$1 per minute for shared agent service or basic answering service.

It is highly recommended that you spend the extra money for a special phone number designated for call center use. If you allow the call center to establish one for you, you will be bound by their restrictions, whereas owning the number will give you the freedom to change providers if necessary.

When making your final choice, it's important to balance cost savings with quality of service. Choosing a provider based on price alone could end up costing your company in terms of reputation and customer loyalty if the center you choose does not match your company's standards for customer service.

Features

Each call center will offer its own features. Ask about the prices for additional features, as well as a list of options for you to choose from. For example, some call centers will send you detailed messages in an email, while other call centers will call you with the message. Some call centers send you real-time updates when they have responded to a call; others will provide a report of all calls received on a monthly basis.



Agency Size

To get an idea of the size of call center you will need, determine the amount of call traffic your business currently receives by checking total volume of calls on past phone bills. You should also try to project the volume you expect to receive from planned advertising campaigns. The call center sales representative can usually assist you in estimating your expected call volume.

Reputation

When you hire an outside resource to field your calls, you are relying on that company to represent your business. Therefore, it is important that the company is professional and respectful to your customers and clients during each call.

Narrowing Your List of Vendors

With these decisions in place, you now need to find the right vendor for your call center services. You will want to find a company that has:

- An understanding of your particular industry.
- The ability to forecast and schedule for expected call volume.
- Technology such as performance management and data analytics.
- Reporting formats that are compatible with your company's software.
- The ability to make changes and readily adapt to market conditions.
- Above all, excellent customer service.

In order to find a reliable call center service, do a simple Google search to see criticisms and praises of your top companies. Ask for customer references that verify the call center's reliability and professionalism. Also, ask colleagues for their recommendations.

Listen in on actual calls to observe how the agents interact with customers. Also, notice whether the center manager works with employees to streamline the process and ensure that the agents are providing the best possible customer service.

Service Level Agreements

Once you have decided upon a particular call center, you will want to establish the criteria that will be part of your SLA, or service level agreement, with that company.



Factors that are important to most companies, and that can be measured for performance include:

- **Percentage of calls answered**
Requiring the center to respond to at least a certain percentage of incoming calls will reduce the likelihood of calls being abandoned.
- **Average Speed of Answer**
The average call should be picked up within a given amount of time, such as thirty seconds, to prevent customer dissatisfaction and frustration.
- **Average Hold Time**
This would include not only the amount of time a customer waits for their call to be picked up, but also how long they have to wait on hold after the initial contact with a representative.
- **Handle Time**
Measuring the amount of time it takes from the agent's answering the call to their reaching a satisfactory resolution to the caller's issue will assure efficient call handling and increase customer satisfaction.

Selecting a call center is a major decision for most companies, and one that should be made carefully. At InsideUp, we have selected top, national answering services that can provide high quality live telemarketing at significant cost savings. We encourage you to take two minutes to fill out the form above and get matched with leading answering companies, who will provide you with custom quotes.

Glossary

Agent

The person who handles calls in a contact center. Also referred to as customer service representative.

Business to business

(B2B) Services provided from one business to another.

Call blending

Combining the flow of inbound calls and outbound calls with other contacts such as email or web transactions to an agent.



Call center

A facility that answers inbound telephone calls and/or places outbound calls. Call centers often provide a full range of related B2B services.

Continuity program

A direct response offer which involves periodically scheduled purchases over time of a set of products or services.

CRM

Customer Relationship Management. A software program that provides integrated solutions for customer service, marketing, sales, and support.

Cross-selling

Suggesting to a customer the purchase of additional services unrelated to the original service or product purchased, but represents an attractive and/or limited time value.

Customer service representative

An agent who handles customer calls and other forms of customer contact involving account inquiries, complaints, or support.

Database

Collection of data organized for quick and easy access.

Data mining

The analysis of trends and associations within customer data.

Next available agent

The systematical routing of the first contact in a queue to the next available agent.

Outsourcing

Contracting with an outside company to handle customer contact.

Predictive dialer

An automated system for outbound calls which directs them to an agent when a live person answers.

Queue time

The time a caller spends on hold waiting for their call to be picked up.

Recorded announcements

An announcement that provides information about products or services, which callers hear while



waiting in queue. May provide an estimate of wait time, remind callers what information to have ready, or advise callers to try the call at a better time.

Save the sale

A situation in which an agent attempts to handle a complaint in such a way as to reassure the customer and avoid the return of the product.

Screen monitoring

A monitoring program that allows a supervisor or manager to view an agent's current screen activity.

Script

The written words and points to be followed when handling a contact, used to assist the agent in maintaining focus on the objective of the contact.

Up-selling

Suggesting a value-added purchase, such as a related accessory or a deluxe, more fully-featured model that a customer could add to their original purchase.

Overview

Your call center is often the first point of contact between your business and your customers. That is why it's so important to choose the right call center to represent your company, one whose agents will leave a good impression with your callers.

Whether you choose an onshore or offshore call center, your main criteria should be top quality customer service. Agents should be able to handle calls efficiently and quickly. They should listen carefully to a caller's concerns or questions and resolve issues in a professional and friendly manner that upholds your company's quality and customer service standards.

Selecting a call center is a major decision for most companies, and one that should be made carefully. At InsideUp, we have selected top, national answering services that can provide high quality live telemarketing at significant cost savings. We encourage you to take two minutes to fill out the form above and get matched with leading answering companies, who will provide you with custom quotes.