

Communications Industry Report: Barriers to Executing Bundled Sales in the Contact Center

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Introduction

In the communications industry, a gaping chasm exists between executive expectations of dramatic increases in the sales of bundled products and services and the preparedness of sales agents to meet those goals. As is often the case, the resources on the ground executing on corporate mandates are ill prepared and ill equipped to do the job they are being directed to do. Sales agents that are engaging in more cross-selling are often handcuffed by issues out of their control, such as legacy sales processes and a multitude of distinct business systems that are all necessary to complete a bundled sale. In fact, the maze of systems that has come to clutter the typical agent desktop is arguably the greatest impediment to the successful execution of a bundled sale.

The Importance of the Bundle

Product and service bundling has become an important strategy in the communications industry for several reasons, including, but not limited to, the following:

- Increasing the number of products per customer typically raises that customer's barrier to exit;
- Bundling provides an opportunity to increase service pricing in a market where traditional services have fallen in price by ten percent annually
- Providers that are able to offer more services gain a competitive edge
- Cost efficiencies are gained through consolidated billing
- Customers prefer bundled services

Developing an effective bundling execution strategy, however, has proven to be difficult in practice. To be able to competitively offer product bundles to the full extent, a bundled service provider would need to take several steps, including the following:

- Modify consumer sales processes to enable sales agents to provide rapid over the phone quotes and discounts as well as maintenance of multiple services
- Create the ability to quickly receive and implement orders
- Ensure low error rates in order/quote processing
- Create a flexible operational flow that accommodates for the ever-growing communications market
- Create flexible access and modification of a discount/pricing engine.

According to Billing World and OSS Today, JD Power and Associates reports that as much as 40 percent of consumers would prefer all their communication services — including local, long distance, Internet, TV and even wireless — to be delivered by a single provider on a single bill.

Obstacles to Selling Bundles

Currently many of the primary obstacles to increasing bundled services rest in sales execution. Sales groups are faced with a multitude of hurdles, including, but not limited to, the following:

- **Conflicting performance metrics.** Because cost containment or reduction continues to be a primary metric for managers of service and sales agent groups, call efficiency – often measured by call handle time – remains a top priority to managers. Nevertheless, average handle time has been shown to increase as agents engage in more bundled product conversations, driving operational costs upward.
- **Escalating cost of sales.** In addition to increased communication costs, labor costs are also rising. To adequately represent a wider array of products and services sales agents must participate in additional product and sales training. Additionally, as the bundled sale requires the entry of information into multiple systems, the likelihood of data entry errors increases, resulting in inefficiency costs.
- **The desktop maze.** The primary operational bottleneck for increased sales of bundled products is the agent's desktop. Most communications service providers (CSPs) have accumulated multiple, siloed operational and business support systems over the years, through mergers and acquisitions, through the natural proliferation of platforms and technologies, and through best-of-breed solutions acquired to accommodate specific needs of the business. In addition, the bundling strategy typically requires access to partner systems in order to create a quote, sell a service or make changes to services. These issues create a point-of-sale environment with multiple order systems each with its unique look and feel, embedded business logic, and rules and regulations. Navigating through these systems while participating in a conversation with a prospect is, to put it mildly, quite difficult. The sales agent ends up not focusing on selling as much as focusing on the mechanics of the call – “Which applications do I use? when? and how?” This complex desktop environment further exacerbates the cost of sales and metrics issues by inflating the processing time required and errors associated with completing the bundled sale.

“In the race to be the customer's sole provider for multiple or all services, yesterday's fragmented and disparate billing and OSS environment simply will not do.”

-- Billing World & OSS Today

Addressing the Desktop Problem

Until recently, providers have had few options to address this significant performance and quality issue associated with the desktop labyrinth. Strategies that have been employed include the following:

1. Creating a new order entry system that incorporates all order types.
 - Pros
 - The advantage to this approach is that the new system will flow more like the call should, reduce handle time on the front end and likely result in increased customer satisfaction.
 - Cons
 - This is typically a lengthy and expensive process with an extended time to market which few, if any, providers can afford given the highly competitive state of the communications market.
 - Each additional service added will require much coding time in the new system resulting in an opportunity cost of loss potential revenue.
 - Significant risk is added due to the necessity of rewriting existing long-standing and complex business logic. . This approach typically requires duplicate entry on the back end to populate partner systems with the order.
2. Additional or enhanced training for sales agents.
 - Pros:
 - This approach does not require any technology changes (and thus no capital expenditure); it merely enforces processes and training
 - Cons:
 - The root technology problems are not addressed.
 - The desktop workspace continues to handicap the agents by causing long processes and creating an environment where the amount of information the agents can maintain is limited because of the sheer volume of operational information they already manage.
 - **An environment is created where hiring preferences are for employees that can type and navigate between applications quickly versus ones that have a sales-orientation.**

The Process Optimization Platform

“... the complexity of the agent desktop continues to plague CSP contact center agents’ abilities to cross-sell.”

-- CSPs’ Contact Centers Struggle with Cost Control vs. Revenue Generation, Yankee Group industry report

While the above represent the traditional options to solve the desktop problem, a new option has emerged that is gaining momentum as a viable, cost-effective solution – the process optimization platform.

As more and more applications have been deployed by providers for specific business needs, business managers have become enslaved by these systems, unable to improve contact center processes due to technology limitations. A process optimization platform provides business managers with the freedom to implement new processes without being handcuffed by the limitations of legacy systems and without having to resort to purchasing or installing new application software. At the agent level, a process optimization platform simplifies interactions with business systems by optimizing and automating processes, even processes that flow across distinct, un-integrated business systems.

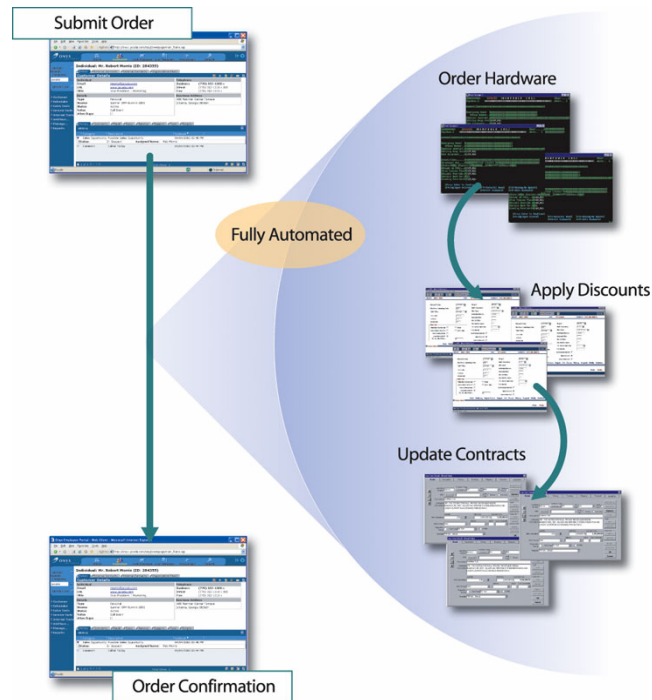
In order to address the needs of any and all application types, the platform provides a “non-invasive” approach to interacting and integrating desktop applications – simplifying processes for the agent without having to replace or modify any existing business applications.

A process optimization platform provides the ability to do the following:

- Create a new ‘view’ of a process that more accurately reflects the flow of the call; or
- Automate navigation and data entry for agents while they traverse existing systems – speeding process flow, eliminating errors and eliminating redundant data entry.

How Does It Work?

The process optimization platform works by enabling the business to isolate and automate specific operations within a process workflow, irrespective of the system where the operation is actually performed. In the illustration below, a process optimization platform has been used to simplify the process of executing an order for an additional phone made by an existing customer. The old workflow for the process had the agent accessing one system to order the hardware, another for applying discounts, and another for updating the customer's contract. Using a process optimization platform, the business was able to consolidate the operations from the three separate systems into just two, greatly simplified screens for the agent (one for submitting the order and the other for the order confirmation), dramatically improving the process workflow without making any changes to the underlying business systems.



A process optimization platform provides a risk-free, cost effective approach to streamlining complex contact center processes. Implementation time is typically measured in weeks, and payback is achieved in months. It is not uncommon for a process optimization project to reduce handle times by as much as 25percent, and nearly eliminate processing errors which typically result in significant breakage between the point of sale and fulfillment.

By simplifying the agent desktop and collapsing processes that span multiple applications the process optimization platform enables the agent to spend more time focusing on engaging the prospect in an effective sales pitch and less time struggling with navigating and deciphering complex business applications.

Advantages of the process optimization platform:

- Significantly reduces handle time by streamlining the process
- Creates a "real" enforced process by automating process flow
- Reduces training time
- Reduces processing errors, increases accuracy
- Eliminates redundant entry
- Agents can use the time gained from decreased processing time for additional up-sell or nurturing
- Makes it much easier for the business to adapt to changes in process and service offerings
- By utilizing existing business systems it reduces risk and is implemented quickly... typically in weeks

Process Optimization Case Study – Leading Service Provider

One of the leading service providers in North America (name withheld for competitive reasons) has deployed a process optimization platform solution to support its goal of increasing the number of “triple play” sales. The process for taking orders and initiating upgrades involved in a triple play sale was complicated and time consuming. Each individual product or service was supported by different, un-integrated business systems. This resulted in significant duplication in data entry and time-consuming, complex navigation. The high percentage of data entry errors was driving up the number of internal and external follow-up calls to correct the errors, contributing to a decrease in customer satisfaction scores and customer retention.

After exploring several technology options to resolve its triple play obstacles, the provider decided on a process optimization platform from Jacada. The process optimization platform enabled the provider to resolve problems at the process level without having to make changes to its supporting business systems. To improve the efficiency of the triple play process, the provider documented the steps necessary to complete a triple play sale and used the process optimization platform to automate the call flow and navigation of the process. Then the provider addressed its issues concerning redundant data entry and data entry errors by using the process optimization platform to capture the customer information entered in one business system to populate redundant data requests in the other business systems.

As a result the provider has been able to significantly reduce average handle time, virtually eliminate data entry errors, and improve its customers’ experience. The number of keystrokes and ‘clicks’ by the agent to complete a bundled sale has been reduced by over 50 percent, enabling the agent to focus on the sale, not the systems required to complete the sale.

The subsequent increase in agent satisfaction is an additional, and not insignificant benefit. It is now widely accepted that agent satisfaction is a key element of delivering good effective customer service. In fact, according to a recent Gartner Group study, every two percent increase in agent satisfaction results in a one percent increase in customer satisfaction.

About Jacada Fusion

Jacada® Fusion is a process optimization platform that utilizes patented technology to deliver dramatic efficiencies for sales and support agents to reduce costs and increase the effectiveness of the contact center.

Jacada Fusion is ideally suited for business environments where agents are either burdened with multiple desktop applications or where complex business rules (whether regulatory or process-oriented) hamper an agent's productivity. Such complex environments cause agent inefficiencies, resulting in higher costs (through increased training time, increased average handling time and wrap-up time), and ultimately, in decreased agent and customer satisfaction.

By simplifying the agent desktop and collapsing processes that span multiple applications, the agent can spend more time focusing on solving the customer's problems and less time struggling with navigating and deciphering complex business applications.

In addition to optimizing process flows for the agent, Jacada Fusion can enable the following:

- Seamless integration of all of the agent's desktop applications into a powerful, easy-to-use portal-like environment
- Single sign-on for multiple applications and systems
- "In-call" intelligence about the agent's activity and interactions with business systems
- Automated call wrap-up, reporting, and call dispositioning

Jacada Fusion is the solution for companies looking to improve agent effectiveness and efficiency while reducing operational costs.

For more information about the Jacada Fusion process optimization platform, visit www.jacada.com.

About Jacada

Jacada is a leading global provider of unified service desktop and process optimization solutions that simplify and automate customer service processes. By bridging disconnected systems into a single, intelligent workspace, Jacada solutions create greater operational efficiency and increase agent and customer satisfaction. Founded in 1990, Jacada operates globally with offices in Atlanta, Georgia; Herzliya, Israel; London, England; and Munich, Germany.

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