

eBook

THE ULTIMATE GUIDE FOR REDUCING CONTACT CENTER COSTS

AVOXI[®]

TABLE OF CONTENTS

1	INTRODUCTION
3	REDUCE COST PER CALL
7	REDUCE WASTED SPEND
11	OPTIMIZE AGENT SCHEDULES
14	OMNICHANNEL SOLUTIONS
16	AUTOMATION TOOLS
19	VOICE COMPARISON

ABOUT AVOXI

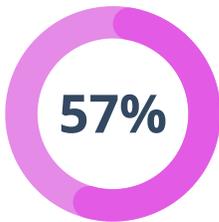
AVOXI, a global Communications Platform as a Service (CPaaS) company, provides enterprise voice and messaging software on a global scale. Giving international businesses the local presence they need to easily connect with their customers, AVOXI offers feature-rich voice technology with unparalleled coverage, quality and reliability.

Intro: Your Roadmap to Contact Center Cost Reduction

As a contact center leader, you're being asked to do the nearly impossible...ensure incredible customer service while managing a restricted budget.

You're no stranger to the pressure. With [96% of customers](#) saying customer experience plays a leading role in their choice of brands, the weight to carry out that expectation is heavy!

The problem is, [most call center managers](#) express concerns about their call center's efficiency.



of call center managers say it's too difficult to connect service processes



say efficiency is hard to achieve because of departmental and team silos



say there isn't enough automation in their processes

You know all too well that inefficiency leads to unhappy customers and ultimately, lost revenue. It's a risk you simply cannot take.

But with a tight budget, you can't just buy a suite of new technologies to solve these issues... and you can't just eliminate headcount to reduce costs. So, what are your options?

If you're looking for the answer to that exact question, you've come to the right place. And luckily for you, there are numerous ways to reduce in-house contact center costs without reducing headcount.

In this eBook, we will help you benchmark the resources currently being used in your contact center, and identify areas to optimize performance and reduce overall costs.

Inside, you'll get:

- **Cost per Call Framework: 5 Steps for Reducing Your CPC**
- **The Definitive Blueprint: 9 Areas to Reduce Wasted Spend**
- **The 7-Step Checklist for Optimizing Call Center Scheduling**
- **4 Omnichannel Solutions Proven to Reduce Call Center Costs**
- **Beyond IVR: 4 Automation Tools To Help Cut Costs**
- **Voice Comparison: VoIP vs. On-Premise Phone Systems**

...and so much more!

The Ultimate Guide to Reducing Contact Center Costs is your ticket to optimizing agent performance and enhancing customer service while respecting tight budget constraints.

Bookmark it...print it out...or save it to your computer. You'll want to keep this guide handy as you map out your call center's future success.

Enjoy!

Team AVOXI

Start Here: Reduce Your Cost-per-Call

The wise Peter Drucker once said, “You can’t improve what you don’t measure.” And it applies perfectly to the first step of reducing your contact center costs.

Before you can take steps to reduce costs, you need to know your cost-per-call (CPC).

What is Cost-per-Call?

Cost-per-Call allows call center leaders to calculate the total cost involved with handling calls within a particular time-frame.

Why Does Calculating Cost-per-Call Matter?

Breaking down the ROI of costs is a common challenge for call center leaders. By calculating your Cost-per-Call, you will get a broad understanding of how efficient your contact center is being managed.

How to Calculate Your Cost-per-Call

Cost-per-Call is calculated by adding up all your operational costs, and then dividing those by the total number of calls in a given time period. Your fully loaded costs should include anything the call center uses to operate. This includes:

- Rent
- Telecom
- Salaries and benefits
- Technology
- Recruiting and hiring


$$\text{Cost-per-Call} = \frac{\text{Total costs, fully loaded}}{\text{Total number of calls}}$$

Use the sample calculation below to get started.

Begin by defining your evaluation time period. Next, identify the average number of calls and fully loaded costs within that specified time period and then simply divide the two in order to get your Cost-per-Call.

Evaluation Time Period (days)	<input type="text"/>
Average Number of Calls	<input type="text"/>
Wages	<input type="text"/>
Benefits	<input type="text"/>
Hiring Costs	<input type="text"/>
Rent	<input type="text"/>
Maintenance	<input type="text"/>
Technology	<input type="text"/>
Hardware	<input type="text"/>
Licensing	<input type="text"/>
Total Costs	<input type="text"/>

Cost-per-Call =

Use these as a baseline to benchmark where your call center Cost-per-Call should be:



- **Small and midsize companies average \$6 to \$8 fully loaded costs for every call. That's upwards of a 55% difference compared to larger companies.**
- **Large and enterprise companies average \$2.70 to \$5.60 when evaluating call center benchmarks.**

PRO TIP:

Keep in mind that the two largest expenses for your call centers are labor and telecom costs. Your telecom to labor cost ratio will completely depend on your location. *For example, countries outside of the U.S. will likely see lower labor costs but higher telecom costs. And call centers located within the U.S. will experience higher labor costs and more affordable telecom costs.*

Using Your Cost-per-Call Benchmark As a Measurement for Reducing Costs

From agent training and effective scheduling to operational efficiency and having the right tech stack, there are a lot of factors that can impact your Cost-per-Call. This eBook will focus on a variety of tactics call center managers can use to impact their overall Cost-per-Call as a means for reducing costs, without hindering service.

As you read through the content below, think of your Cost-per-Call as the ultimate call center efficiency KPI as it sets the framework for measuring overall cost reduction.

How to Get the Most Out of This Guide:

We want this to be an actionable guide - a blueprint, that upon reading, you'll be able to immediately put some (or all) of the tactics outlined into action.

To get started, we recommend following these 4 steps:

1

Estimate Your Current Cost-per-Call

Benchmark where you're currently at. Divide your total call center costs by the total number of calls answered.

2

Start Small - Implement 2 Action Items From This eBook

Start small and pick two action items you believe will be the easiest to implement. *(The most common reason for goal failure here is trying too much at once. Small wins snowball into big savings fast!)*

3

Monitor for 1-2 Months

Leveraging the two action items selected above, run your process improvement for at least one month - *preferably two*. At the end of the desired period, recalculate your Cost-per-Call and analyze your results. Celebrate where necessary!

4

Keep Going! Implement 1-2 New Action Items & Repeat

Don't stop, keep going! Continue the process by selecting 1-2 new optimizations. Repeat the steps above.

Within a few months, you'll have an impressive story to tell by significantly driving down costs and improving your overall Cost-per-Call.

The Definitive Blueprint: 9 Areas to Reduce Wasted Spend in Your Contact Center

1. Audit Your Virtual Number Provider

They don't call AVOXI the #1 Virtual Phone Number Provider for nothing. So naturally, the first thing we're going to cover is what we know the most about... auditing your current virtual number provider.

Here's the thing... corporate telephone bills can cost thousands of dollars per year. And many organizations choose to overpay because searching for a new virtual number provider can be a daunting task. It's nearly impossible to compare telecom providers apples to apples because they each offer an array of packages, features and services. What's worse, is many providers aren't transparent about their pricing. This leads to many hours wasted on sales calls with reps from numerous providers.

But it's a necessary evil as running a telecom audit can come with tremendous cost benefits. When running your audit, be sure to consider the following factors:

Call Volume

If your call center has higher volume, naturally your phone bill will be higher due to increased minutes. Consider the minutes provided in the provider's bundled packages. The more volume you have, the more minutes you will need. Luckily, most providers reduce cost per minute with the more minutes you purchase.

Caller Location

Where your customers are calling you from has a big impact on per-minute call rates. These differ considerably between countries and providers. Search for a provider who has excellent global carrier relationships. This will ensure you are getting the best price for international telecom charges.

Features

Virtual number providers offer an array of features. But more bells and whistles certainly don't mean it's the best deal. Evaluate what tools and features your call center needs and which might help improve agent efficiency. These tools will play a critical role in reducing cost-per-call and if bundled up together, you can quickly see a reduction in overall call center spending.

Interested in what you could be saving internationally? Check out the price comparison below.

Country	Are you paying more than...	Avg. savings when you switch
Brazil	1.5¢ per minute	40%
China	5¢ per minute	35%
Hong Kong	1.5¢ per minute	30%
India	13¢ per minute	30%
New Zealand	1.5¢ per minute	40%
Singapore	1.5¢ per minute	25%
South Korea	6.5¢ per minute	25%
UAE	21¢ per minute	35%
UK	1.2¢ per minute	25%
US/Canada	1¢ per minute	20%

[Contact Us to Learn More About AVOXI Pricing](#)

2. Use Customer Callback Functionality

No matter how optimized your agent scheduling is, there's really no way around it...your company is going to pay for every minute your customers sit on hold.

But luckily, features like queue callback can help reduce that cost.

Queue callback is where a caller is given the option to receive a callback while saving their place in line if all the live agents are busy assisting other callers. And when we say it's a game-changer across the board, we mean it. Benefits include:

- **Connecting Customers with the Right Agent:**
Using automation to collect the customer's inquiry and then having the option to call them back allows you to assign specific calls to the agents who can best solve the customer's unique problem.
- **Boosting Your KPIs:**
Using queue callback can cut your time to answer and call abandonment rates. It can also reduce call length since customers aren't spending time on hold, allowing the agent to go into the callback with an understanding of the problem.
- **Reducing Your Monthly Phone Costs:**
Virtual queuing time doesn't incur telephone charges since the customer isn't wasting minutes on hold.

Queue callback is included as a feature with most contact center software solutions, including the AVOXI platform. If you're happy with your existing provider but they do not offer such solutions, there are still options available. Companies like LiveAgent and CallBacker offer customer callback as a service that can be added to your website or integrated with your current system.

Keep in mind that when it comes to providing excellent service, however, it's important your queue callback settings are set up correctly, or else your customers may have a poor experience.

Here are six tips to ensure you're getting the most out of your queue callback feature:

1. Make call-back options available across as many channels as possible, starting with your IVR
2. Place call-back offers early in the call
3. When your company calls back, don't make customers wait more than 10 seconds on hold before speaking with a representative
4. Don't make customers repeat information they already provided to your automated system
5. Only offer callback options during business hours
6. Provide customers with an expected call back wait time

Choosing to implement these tips (or not) could ultimately impact your cost savings goals. If the queue callback feature isn't used effectively, it could upset your customers, lower your first call resolution, and cause them to call back- ultimately using the hold-time minutes you were trying to reduce.

3. Optimize Your Call Center Scheduling

Disengaged employees can cost an organization at minimum [\\$3,400 for every \\$10,000 in annual salary](#). Long story short? Unproductive employees are costing you money.

That's why being able to properly forecast call volumes and staff your call center accordingly is critical for reducing costs and improving customer experience. But, any call center leader will agree - getting scheduling right can be challenging.

The secret lies in measuring your agent's performance.

To do this effectively, you will need to leverage your reporting and analytics. Here's your 7-step checklist for optimizing your call center scheduling.

- 1.** Identify your peak call times
- 2.** Monitor each individual agent's KPIs including:
 - Average call abandonment rate
 - Average time in queue
 - Service level
 - Average speed to answer
 - Average handle time
 - Average after call work time
 - First call resolution
 - Occupancy rate
 - Customer satisfaction
- 3.** Schedule your A-team agents at peak times
- 4.** Plan for agent breaks, lunch, meetings, training session and after call work activities
- 5.** Take agent preferences into account to ensure productivity
- 6.** Schedule an on-call reserve of agents ready to work ASAP when needed
- 7.** Monitor agent adherence levels and make adjustments as needed

Successful call centers are able to accurately forecast peak call times, know who their top performing agents are - and schedule accordingly. By having your A-team agents scheduled during heavy volume periods, you'll be able to handle customer requests efficiently and significantly reduce the minutes being used.

4. Leverage Integrated Call Center Software

Did you know only [45% of call centers](#) use integrated systems? If you expect your team to work efficiently, you need to provide them with the necessary tools to do so. By using a call center software that integrates with your current tech stack, you'll benefit from:

- **Increased Agent Productivity:**

Allowing your agents to work in one tab vs. ten allows them to work faster and get everything they need done all in one place. This also helps to reduce manual processes and human error.

- **More Personalized Service:**

Integrating your call center software with CRM and helpdesk tools helps your agents quickly personalize their conversations by having important customer data at their fingertips when answering calls or chats.

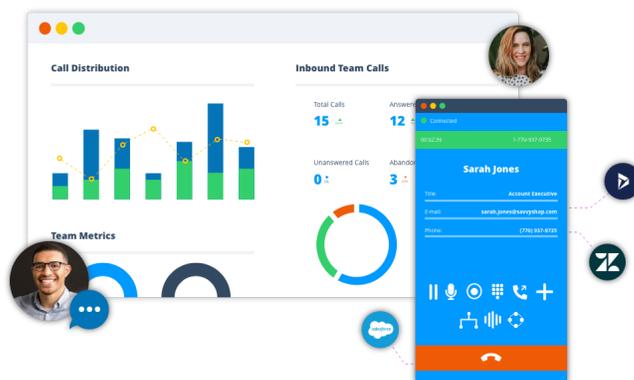
- **Less Research Time:**

Having all the tools they need in one place drastically reduces your agent's research time and then, therefore, the AHT and CRT, all impacting your overall cost-per-call metric.

Looking for reliable, easy-to-use contact center software for your business? Try AVOXI.

"We started using the Zoho integration last year as an early beta and have been impressed by the little details added by the AVOXI team that truly streamline our workflows and reduce human error. I now consider the AVOXI integration best in class based on what I have tried with other platforms."

- Marcos Rey, Spanish Outreach Manager
at Kenneth Copeland Ministries



AVOXI®

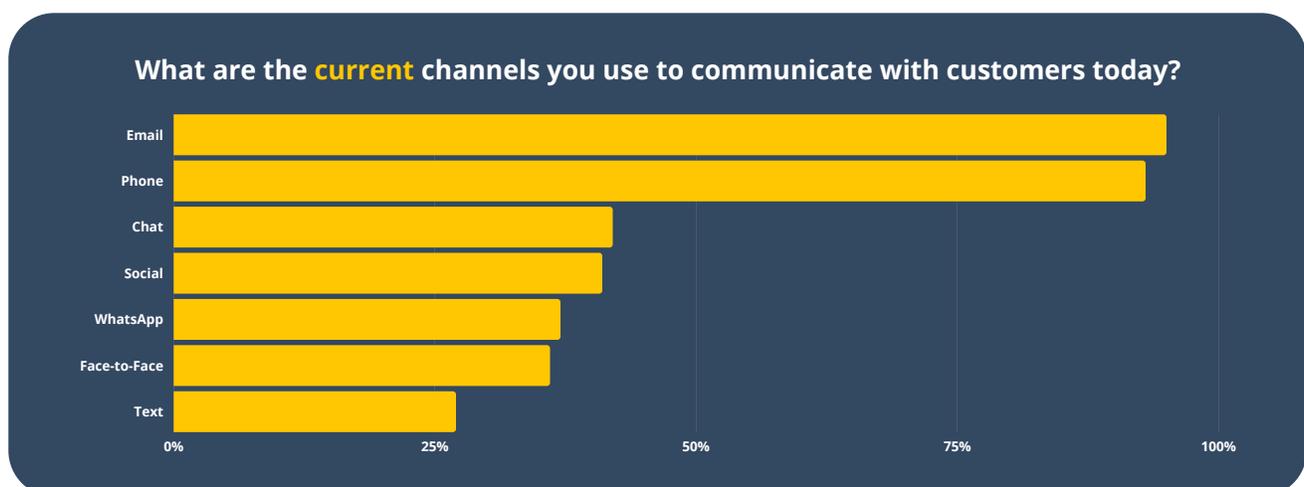
5. Implement Multichannel & Automated Processes

When it comes to your call center, time is your most precious (and expensive) resource. Call centers that use multiple channels to communicate with their customers, and automation to optimize their internal processes, typically see significant improvements across customer experience and their bottom line.

Implementing Omnichannel Solutions for Call Center Cost Savings

In our [Fast Tracking Omnichannel report](#), we identified that consumer expectations continue to climb. They want to talk to companies whenever and wherever they are. And the organizations that provide these on-demand multichannel services benefit from it, as 93% of customers are likely to become repeat customers after experiencing excellent customer service. And what's more, [84% of companies](#) that work to improve customer experience report an increase in revenue.

While 94% of businesses still rely on traditional conversation channels such as email and phone to connect with customers, many are setting their sights on new channels to meet expectations and enhance the customer experience. These alternative channels include SMS-text, social media, WhatsApp and LiveChat.



The businesses investing in multichannel solutions are seeing immediate benefits ranging from faster problem resolution and improved sales to fewer expenses and increased customer loyalty.

Here are the top 4 ways offering omnichannel customer service can impact your call center's bottom line:

1. First Contact Resolution:

Messaging platforms can help boost KPIs. Whether it's a customer initiating a chat request or an agent proactively starting the conversation, messaging and chat software offers great first contact resolution response through digital troubleshooting and sharing page links to self-help articles or landing pages that resolve the customer's issue or inquiry. The quicker your team can solve your customers' problems, the more money you will save.

2. Increase Conversions and Sales:

Introducing chat and messaging channels to your website is an effective means of driving revenue. The chat box allows agents to communicate with customers about the product or service value, which can help a contact convert. Without chat technology in your contact center, businesses could miss out on **53%** of revenue opportunities.

3. Reduced Expenses:

Companies can save up to **30%** on expenses with chat and messaging services. Agents can multi-task and assist several customers at one time. This efficiency is called chat concurrency and can help businesses save money on payroll costs. Experienced agents can interact with as many as six customers simultaneously. Not to mention, if a customer isn't calling in, you're saving money by reducing the minutes used.

4. Improved Customer Service and Loyalty:

Customers feel an elevated level of confidence when doing business with a brand that makes support services easy and effortless. Live Chat's convenience and swift response time makes it a more customer-satisfying channel at 73%, compared to traditional mediums like email (61%) and phone (44%). This type of functionality helps build rapport, so they'll be customers for life!

Using Automation for Call Center Cost Savings

Automating processes is a great way to reduce call center costs. The cost of automated interactions is [10-15% compared to live agent costs](#). And while most call centers immediately seek this type of automation through an [IVR solution](#), there are several other ways to automate your processes and see cost benefits.

Automated Workflows

Call center software provides businesses with multiple options to automate important internal processes. Integrations, for example, can quickly reduce manual tasks like call logging for agents. By integrating essential business technologies, like CRM or Helpdesk, into your call center, your agents will receive more time back in their day, and your customers will quickly benefit from reduced wait times and faster resolutions!

What's more, is that it's a huge competitive differentiator. In a study AVOXI performed in September 2020, only 45% of businesses had any automation in place. And while 70% saw a need for automation, only 33% said they intended to implement it.

Caller Screen Pop

Integrations also give you the ability to automatically display relevant customer information on your agent's screen when they receive a call from a known number.

This helps your agents customize the caller experience while also reducing handling time by being more informed, before and during the call. A simple feature like this can ensure your agents are equipped with the most up-to-date customer information at all times.



2-Way Data Synchronization

Integrations are best when they go both ways. Implementing 2-way data synchronization ensures that when updates are made in one platform, your call center software is also updated with that same information. This streamlines communications and ensures your agents are equipped with the most up-to-date customer information at all times.

Scheduled Reports

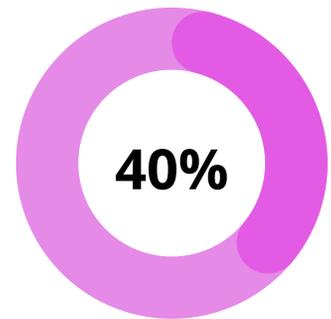
34% of call centers don't have the customer data available at the time of need. Another way successful call center managers automate their day (and save time) is by scheduling critical reports to be sent out at the time of need, in the format preferred. By removing the manual work out of reporting, you'll have more time in your day to train agents and improve service-level KPIs.

6. Rethink Your Self-Service Strategy

According to Gartner, as much as [40% of live volume](#) could be resolved in self-service channels. Wow - talk about savings!

Meeting your customers where they are is critical for delivering a great customer experience, but it's also another fairly easy tactic to efficiently manage your costs. Some customer service leaders worry about self-service because they feel it lacks personalization and could ultimately cost the call center more money. And it's true, implementing a self-service strategy without a personalized approach could hurt you. But like any addition to your processes, self-service needs to be thoroughly thought out. And one thing's for sure, as younger generations continue to seek answers for themselves, self-service will not only become a norm among your competitors, it will become the expectation among consumers.

45% of companies offering self-service showed reduced phone inquiries. Fewer minutes automatically means more money, both on the telephony costs and the added time given back to your agents.



of live volume could be resolved in self-service channels.

Here are a few tips to make self-service work as a means of cost reductions for your call center:

- Invest in contact center as a service (CCaaS) solution to enrich and better personalize customer interactions
- Shore up your knowledge base and FAQ pages
- Implement an automated IVR with resolution-oriented options
- Deploy voice and digital [virtual agents](#) that can provide a conversational experience for customers
- Set up automated and live chatbots to help answer customers' FAQs. **This alone can reduce costs by as much as [30%](#).**

7. Simplify Your Identification & Verification Process

Identification and verification (ID&V) is a necessary burden. It can take anywhere from 30 seconds to over a minute for your agents to just start the interaction. And U.S. contact centers spend \$12.4 billion annually just to verify inbound callers' identities. That's a lot of dough. But moving this process to an automated IVR can provide cost savings by removing time from the advisor portion of the interaction.

If set up correctly, the benefits of this go far beyond cost savings. Your customer gets routed to the right agent the first time and your agents can quickly greet your customers and help them resolve their questions.

But if done incorrectly and your customer experiences a series of "retries" and systematic errors, they could get frustrated. Set yourself up for success with a trusted IVR system that will provide your agents all relevant verified information to ensure a seamless transfer and excellent customer experience.

8. If You Haven't Already, Move to the Cloud

Traditional telephony and landlines can come with a lot of hardware, a lot of costs and sometimes, a lot of headaches. In fact, it [can cost \\$20,000](#) just to set up an on-premise phone system. VoIP on the other hand is free to set up and provides lower-cost options, broader coverage and can support remote agents.

See how the two stack up side-by-side below:

VoIP	On Premise
● Only pay for your usage	● In addition to expensive upfront and maintenance costs, monthly usage fees apply.
● Flexibility and mobility to scale up and down as needed	● Difficult and expensive to scale
● Premium features come standard	● Premium features require IT support and maintenance to implement
● Maintenance and upgrades provided by cloud-service provider, reducing the headcount of your IT staff	● Must be maintained regularly by in-house IT staff
● No hardware costs	● Expensive hardware (servers, copper lines, fiber networks, modems, and phones)

Still not convinced? Check out these cost-saving stats:

-  Businesses see average **savings of 50-75%** after switching to VoIP
-  Softphones result in an **average savings of \$1,727 per month** in cell phone and long-distance charges
-  Because VoIP allows agents to work from anywhere, **productivity rises nearly 20%**

9. Coach & Develop Your Agents

Quality training goes a long way in a call center. Well-trained employees handle calls in a minimal average handling time (AHT) and minimize repeat callers (first-call resolution). This reduces your minutes used, improves customer service and results in reduced cost-per-call.

Having a team of top performing agents who can consistently hit AHT and FCR targets doesn't just happen overnight. Instead it takes time and effort from contact center managers to coach them and increase output.

If you have the right tools, we highly recommend the following:

- **Implement Call Recording:** Consistency is key when it comes to exceptional customer service, and call recording is just one of many tools to use when training your agents. Call recording will allow you to sit down with your team and coach them on previously recorded customer conversations. In these sessions you can manage:
 - **Customer Satisfaction:** Ensure your agents are communicating with customers clearly and eloquently.
 - **Quality Control:** Identify key areas agents need to improve.

- **Compliance:** Ensure compliance according to your industry and its regulations.
- **Operational Efficiency:** By combining call scoring and business-specific metrics, you can hold agents accountable for their performance and productivity - which ultimately affects your bottom line.
- **Do More with Call Monitoring:** Use tools that go beyond just call recording when it comes to coaching your team. Optimize your time (and theirs) with whisper or barge functionality - giving you the ability to coach from the side (without customers hearing) or take over calls that need immediate help.
- **Agent Reporting:** It's impossible to know which agents are leading and which are lagging if you aren't measuring their individual call performance. Implement agent reporting to quickly identify the team members who need more training, or simply aren't a good fit for the job.

Have the Right Tools in Place As You Get Started.

Every business wants to reduce costs. However, when you're managing a contact center, balancing a high level of customer service while managing a tight budget can be challenging.

Cutting contact center costs doesn't have to mean reducing headcount or customer service quality. With the right technologies, automation and integrations in place, it's entirely possible to do both. As discovered in this eBook, there are multiple ways for customer service leaders to efficiently use resources while providing a great customer experience with every interaction.

As you begin your journey, keep in mind **we're here to help!** Recently named an 'Emerging Favorite' in [Capterra's 2021 Contact Center Software](#) Category, thousands of customers are relying on AVOXI's platform to efficiently manage their global communications.

Increase Customer Satisfaction & Maintain Costs with AVOXI's Contact Center Software.

With AVOXI's intuitive, easy-to-use contact center software, you'll be able to intelligently route calls, effectively coach and monitor your agents, and easily analyze important service level metrics that are important for your business.

[Start Your Trial Today](#)

AVOXI[®]