



*This White Paper provides a framework for analysis and lists key technologies for analysis of contact center management strategies. It is possible to implement strategies today to take the next step towards transforming your contact center into a more valuable resource.*

## Overview

Call centers have been around for decades and prove an essential part of thousands of businesses. However most suffer from high maintenance costs, high technology investments, and high real estate costs to accommodate their seasonal and peak operating requirements.

Elasticity overcomes the above issues and enables your business to function with greater flexibility.

Traditionally organizations have had to build a technology infrastructure requiring a significant capital expenditure for an investment largely unused through the lifecycle of their business. Manufacturers have traditionally applied 'Just in Time Supply Change Management' to accommodate peak production requirements by making goods available to the assembly line as needed while being able to scale them back should production requirements decrease. This methodology allows for elasticity in the supply chain, reducing the need for excess inventory, lowering cost and ultimately reducing risk to the manufacturer.

These same management principals may be applied to the technology infrastructure of any enterprise. The

maturity during the last several years of such technologies as web services, virtualization, hosting platforms, commodity hardware and open source software have provided the stepping stones that allow an organization to buy capacity on demand and then shed that capacity when it is no longer needed.



## Key Issues

Customer expectations and requirements have forced traditional contact center environments to drive up complexity and costs. Because the cost of acquiring a customer is often 10 times greater than maintaining one, optimizing efficiency, staff productivity and leveraging new technologies to meet today's challenges have never been more critical.

Elasticity is the most critical concept to apply in all the company areas, and will be the way of solving the key issues:

*What can be done to optimize my contact center performance to stay competitive?*

*How can I control my contact center costs?*

*How can customer satisfaction be improved?*

Historically the investment required has presented challenges within the enterprise contact center space. The infrastructure for a state of the art contact center has always been significant, requiring anywhere from a 20-50% over capacity to satisfy peak demands. These challenges are magnified when one takes into account that a large section, or even the entire contact center, may not be utilized after standard operating hours. For enterprise contact centers with seasonal increases in customer activity, a large section may lay dormant for entire months of the year. Alternately, they could

risk their core business by outsourcing what is generally the more profitable seasonal revenue at a time when their customers are demanding a higher quality of service.

For a contact center outsourcer this meant the need to expand their operations to accommodate additional contracts that may have fixed terms, requiring the outsourcer to incur additional infrastructure costs. These additional costs would then be loaded into the customer contract which would make them less competitive by reducing their margins, and with the possibility of recouping that investment with another contract after the original is completed. Unfortunately this scenario has a high associated risk.

“Time to market” is also important. Marketing departments will often maintain their strategies in secret before going to the contact center with the requirements on a very tight timeframe. Having rigid infrastructures which require lengthy implementations makes business itself more difficult.

There are also customers who need to expand and reduce contact center capabilities but prefer to service calls on-premises with their own personnel. This can be a very expensive mechanism of attending calls if one has many peaks or temporary services.

## *Market Trends*

A parallel in the online world of how this approach to technology has fueled the growth of countless organizations is the advent of Amazon's Web Services. This large, online retailer has diversified its business model by leveraging a significant asset that was built to support the core business: its data center infrastructure. Amazon's first foray into the world of elasticity services was Simple Storage Service (S3), a service which provided virtually limitless storage capacity that may be purchased as required, accessed via a web service, paid for when consumed and scaled back when no longer required without any penalty to the user. Countless online photo and data sharing sites have used this service to jumpstart their business models by converting their startup costs from a risky CapEx model to a lower risk OpEx model as they validated their own business models and grew their business.

Amazon has moved up the solution stack to provide the Elastic Compute Cloud (EC2) service. Amazon EC2 is a grid computing platform that allows users, once again via a web service, to store a software image of their relevant servers and then programmatically launch them on demand. The user only pays for these servers by hour each server instance is operating and has full control of when they are launched and terminated with no penalties.

These services combined allow a user to have a complete technology infrastructure on demand that allows for the expansion and shrinkage of their environments as and when they need it. These services may be used to build a whole new startup, or as a pressure valve for an existing organization to manage their growth on demand without committing CapEx.

An example would be a website that receives a spike in user activity at certain times of the day. Instead of rushing out to buy additional hardware to accommodate these spikes, the organization may invoke Amazon's Web Services to expand that capacity requirement on demand and then turn it off when no longer necessary. This could be done based on time of day, manual interaction or even programmatically based on real time usage statistics.

## *Enabling Technologies*

*Technology today enables building several types of infrastructure that allow contact centers to maximize business results.*

### **VoIP**

It's clear that IP can vastly reduce operating expenses, simplify management overhead, provide geographic flexibility and improve quality, particularly for multi-site contact center operations. IP technology frees agents to work from any location connected to the network, makes possible the off-shoring in different countries and enables home-shoring workers to be remote. Calls can be distributed to the premise staff or the home shoring agents according to call type, skill requirement, shift or any combination of criteria. Premium customers and complex inquiries, for example, could be delivered directly or escalated to the supervisors or specialist, while the others could handle more routine contacts. The outsourcer could also provide overflow services during the busiest times of a shift.

### **Virtualization**

Virtualization is changing the computing landscape by making it possible to run

multiple operating systems and multiple applications on the same computer at the same time, increasing the utilization and flexibility of hardware.

Providing a new way for an organization to manage its data systems, it allows one to create an image of an operating server and then move that image to any server operating the underlying virtualization software. Virtualization allows server images to be stored on a fileserver and then invoked when needed, to run on a particular piece of hardware and then shutdown maintaining its current ready state for the next time it is required. A single server image may also be easily replicated across a myriad of instances should scalability be required. This technology also enables new applications to be deployed quickly and seamlessly, as the vendor may provide a pre-configured image to be launched with minimal configuration and installation requirements.

Key players in this sector are VMware and Xen (open source).



## *Enabling Technologies*

### **Open Source**

Open source has been in the technology industry for some time. Only in the past several years has the industry seen a shift towards adoption of open source, such as Linux, for large scale, mission critical applications. Organizations have now been adopting open source applications for such domains as Operating Systems, Customer Relationship Management, Supply Change Management and Databases to name a few. The "Open Source Model" today is a very pragmatic way of evolving software in a rapidly changing environment.

One of the most recent, widely adopted technologies to become available in the open source arena is for voice, PBX and ACD applications. This includes the most widely used, open source PBX/ACD system Asterisk (<http://www.asterisk.org>). Asterisk has seen a rapid adoption of its platform in the technology domain that has been previously left to monolithic platforms.

From a business perspective the purchase cost of software is only one factor; total cost of ownership (TCO) is what really matters. Open source allows companies to escalate and reduce part of their infrastructure without large expenses.



### **Web Services**

A key point of enabling an organization to rapidly integrate new technologies is web services. With the advent of web services, it is possible for an organization to seamlessly integrate a new platform within their organization based on standards and without a significant investment of time and effort.

Web services revolutionized the development of online services through so called mashups that give individuals the ability to quickly create new and innovative services based on available web services. This same rapid integration may also be applied to enterprise technology, allowing an organization to interlace their own infrastructure with innovative technologies to create new platforms with relative ease.



*Empowering the Elastic  
Contact Center  
How can Presence  
Technology help your  
business?*

New business solutions are leading the move into next generation of contact centers. We offer elastic solutions that are a first in the industry. We don't offer advanced features for the sake of it; we put them together in a global concept that includes capabilities, technology, and pricing structure that work to save you money and gain your business.

Contact centers remain the crucial touch point in customer relationship management. To help their companies win additional customers and market share, they must give customers superior service while delivering measurable business value at low cost. Optimizing operational processes helps contact centers meet these goals.

**Presence Technology** addresses the business issues by empowering the Elastic Contact Center through the innovative use of technology, business, and operational users as well as through innovative commercial engagement models. Presence provides a flexible platform with reduced training requirements that may be deployed with platforms already in place with the customer. This includes direct support of the Avaya and Nortel platforms as well as the support of virtually any existing infrastructure using the **Presence OpenGate** solution.

**Presence OpenGate** is the combination of

our standard solution capabilities with the Asterisk open source PBX/ACD. **Presence OpenGate** may be used as a standalone inbound and outbound all-in-one contact center suite, or may be added to existing infrastructure to provide enhanced contact center services.



A key capability of **Presence OpenGate** is the ability to deploy on commodity hardware, such as Dell and HP servers, as well as the ability to provide seamless VoIP services. This allows an organization to implement additional contact center capacity with reduced investment in traditional telephony equipment by using open source software, inexpensive hardware and VoIP softphones to deploy infrastructure that may be repurposed later once the capacity is no longer required.



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We combine this technology capability along with innovative business models that allow users to acquire our technology on a perpetual, Right to Use licensing model or a pay-per use, on-demand model.

**Presence Technology** includes multi-channel contact management software to combine many types of customer interactions into a single queue. The goal is to maximize and improve cost-effectiveness of every form of contact with the customer, regardless of the method chosen to communicate with the company. The Presence Technology product suite provides comprehensive control over the communication channels using powerful

routing systems and post-analysis of each individual channel.

We allow companies to gradually extend functionality to suit their business model and offers a wide range of solutions focused on solving, improving, setting up, and revitalizing the call/contact center. The solutions installed and tested worldwide respond to the most demanding requirements of modern contact centers. Within Presence's range, we can find a fully integrated suite of solutions to manage different type of interactions like Inbound Voice, Outbound Voice, Intelligent Routing, Back Office, e-mail, chat and web collaboration, with a modular suite of reporting in real time and historical.

## *Conclusion*

Even today, advanced contact centers can have a separation between IT staff and operations that include telemarketing or teleservices-oriented people. IT must have methods to expand the performance of the systems and to facilitate the operational team to achieve their objectives, with a deep control of the factors that can escalate the contact center's costs.

Elasticity now becomes a global concept of interest to any company that desires to lower costs and reduce risk while at the same time maintaining excellence in customer service and control in their operations. Identifying opportunities to include the elasticity concept by analyzing your contact center versus that of your peers is key to improving customer satisfaction and weighing cost efficiency.

Despite sharing some similarities with outsourcing and contact center hosting, elasticity offers a larger degree of operational flexibility. This white paper examines some of the main reasons why companies are looking at elasticity in contact center infrastructure, including the need to lower costs while at the same time retaining control over their customer relationships. These service levels cannot be achieved with the traditional models that require significant expenditures on large, hardware-based systems of sufficient capacity to handle peak usage.

Evaluation of long- and short-term goals can provide a smooth migration to these new ideas as well as increasing productivity and return on investment by controlling the factors that can escalate your costs.



## About Presence Technology

Presence Technology is a global software company which offers a highly valuable technology proposal to the contact center market.

The complete software suite was originally developed at a large Contact Center Outsourcing Company with a profound understanding of Call Center Operations and the daily needs of companies. This approach makes Presence' Solutions the most flexible, easy to deploy and user-friendly applications in the market.

The company's management is formed by a team of highly-trained professionals who come from leading multinational IT firms.

While Presence Technology's European head offices are based in Spain, the US head offices are located in Atlanta, from where the entire US market is covered, in conjunction with a consolidated, first level partner network.

Apart from Europe and the US, the company's international operations are mainly focused on the South African and Latin American markets, creating powerful alliances with local partners

specialized in the Contact Center industry.

Presence Technology offers a totally integrated suite of applications.

Presence Technology offers a whole range of solutions for the Contact Center focused on solving, improving, setting up, and revitalizing the Call/Contact Center. Presence's solutions, installed and tested at Contact Centers worldwide, responds to the most demanding requirements of the modern Contact Centers. Within Presence's range, we can find:

- » Presence OpenGate
- » Presence Recording
- » Presence Internet
- » Presence Messaging
- » Presence Back Office
- » Presence Reporting
- » Presence IVR
- » Presence Intelligent Routing
- » Presence Voice Inbound
- » Presence Scripting
- » Presence Voice Outbound

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