

Flexibility for Changing Business Needs

Improve Customer Service and Drive More Revenue with a Virtual Crowdsourcing Solution

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Business needs and resource demands change on a daily basis. Some of these changes are planned due to seasonality or scheduled events, yet others are unplanned, caused by uncontrollable forces such as natural disasters, illness or power outages. Most businesses attempt to dynamically adjust to planned and unscheduled business needs. However, the constraints of fixed infrastructures and staffing typically prevent them from successfully making adjustments in the necessary timeframe.

The most common reasons for shifts in business demand and the resulting need for resource flexibility include:

- **Seasonality**
- **New product launches**
- **Natural disasters**
- **New marketing programs**
- **Product failures and recalls**
- **Service disruptions**

While these, and other issues, impact all business functions, few areas are as significantly affected as customer service. This is because most organizations find it extremely difficult, if not impossible, to make adjustments in real-time to adequately cover fluctuating call volumes. Unfortunately, an inability to respond to changing conditions can negatively impact brand loyalty and revenue growth. For example, when there are not enough available resources to handle call volume spikes, queues can deepen, resulting in frustrated consumers, dropped calls and decreased sales. Alternatively, if a company attempts to ramp up to handle an increase in demand using a traditional bricks and mortar model, costs skyrocket due to overtime pay and underutilized agents.

Fortunately, there is a solution.

Customer service programs using a virtual work-at-home model and crowdsourcing solution can easily adapt to changing business needs and deliver an exceptional customer experience. In the virtual crowdsourcing model, experienced and qualified independent business owners and their client support agents provide services from geographically-dispersed home offices. To handle unexpected or planned business fluctuations, this network of professionals can be ramped up or down within minutes, helping companies protect their brand by delivering consistent, high-quality customer care.

The Solution for Fluctuating Business Needs

A virtual crowdsourcing solution for call center services, such as that offered by Arise Virtual Solutions, uses a network of thousands of independent business owners and their associated home-based client support professionals to match the needs of its clients. This approach is significantly more flexible and cost effective than a traditional brick-and-mortar model primarily because shifts are scheduled in 30 minute increments versus four or eight hour blocks, which allows resource planning to precisely parallel customer demand. With a brick-and-mortar model, companies typically incur major costs when peaks subside because they still have to pay employees for unused time. However, with a crowdsourcing model, agents are paid only for the time they spend on the phones. In other words, Arise optimizes schedules so that the people who handle calls are there only when needed.

Another benefit of the virtual model is the ability for client support professionals to provide service on a full-time or part-time basis, a great attraction for high-caliber talent looking for work-life-balance. In fact, companies utilizing a part-time, crowdsourcing model have a pool of qualified professionals 2 to 2.5 times greater than traditional brick and mortar centers. This large talent pool, combined with flexible scheduling and commute times measured in seconds rather than hours, makes it easy to accommodate fluctuating demands. For example, a request to flex 20% only requires asking client support professionals to work an additional 3-4 hours per week with the part-time crowdsourcing model. On the other hand, asking a traditional center with 100 full-time agents to flex 20% would require a full day of overtime from every agent.

In addition to overtime costs, limited physical space (i.e. number of seats available), and burnout also make traditional brick-and-mortar call centers particularly expensive to operate during spikes. Traditional providers try to offset high operational costs by hiring temporary staff members to handle excess call volume. These short-term workers are inexperienced and typically provide poor customer experiences. Another drawback to this strategy is the lost profits due to maintaining the stranded seat capacity for the remainder of the year.

When Disaster Strikes - Addressing Unexpected Business Spikes

In addition to supporting predictable seasonal fluctuations, businesses must be able to handle the unexpected. Unfortunately, customer service organizations relying on a full-time employee-based workforce have limited options when faced with unforeseen demands. The expense of training and supporting additional agents, if available, is generally cost prohibitive and extended mandatory overtime arrangements can drive agents away. On the other hand, virtual crowdsourcing call center providers are able to flex much faster and for a longer period of time, making their solution ideal for maintaining business continuity and responding to natural disaster situations. In fact, in the case of unexpected spikes, research has shown brick-and-mortar centers can often spike only about 10% in a given day, whereas a virtual crowdsourced model can spike over 100% in the same timeframe. Consider these following examples of how the virtual crowdsourcing model was able to help customers during times of crisis:

Early on October 29th, 2012, Hurricane Sandy struck the Northeastern coastline of the United States, affecting 24 states and leaving millions without power. Carnival Cruise Lines was suddenly faced with helping roughly 20,000 passengers with last minute cancellations, port of call changes, and shortened cruise itineraries. After closely monitoring the situation, Arise proactively issued an urgent service request to all Arise call takers on the program asking for additional support to help Carnival during the crisis. Arise was able to increase its capacity 60% over the locked forecast for

that period. In addition, Arise partnered with Carnival to ensure all call takers were clearly communicating Carnival's crisis policies.

When a tornado hit Joplin, Missouri in mid 2011 and forced entire call centers to shut down, Arise ramped within 4 hours to cover a 200 seat center that was impacted by the disaster.

Customer support professionals flexed 135% for the following two-week period with no customer service interruption. Then, available call takers picked up tools and started to help with the community's rebuilding efforts.

In 2009, after the Swine Flu (H1N1 type A influenza) first surfaced, a major cruise line entered into a state of emergency due to the tremendous influx of calls within a short period of time from customers concerned about their upcoming cruises to Mexico and elsewhere. Within 30 minutes, Arise began to flex and over the next 29 days provided 43% additional hours over what was initially planned.

Planned Volume Increases – Flexing with Ease

In the case of planned ramps, such as seasonal fluctuations and product launches, the ability of the virtual crowdsourcing model to efficiently flex can have an even greater impact. The unique scheduling methodology deployed by Arise coupled by a part-time crowdsourcing model has proven to be an effective tool in providing call coverage during peak hours, which traditional brick-and-mortar vendors would not be able to effectively handle. In fact, Arise estimates that almost 12% of consumer call volume is lost during peak intervals when a traditional brick and mortar model is in place. Below are a few real-life examples of the positive impact consistent service delivery can have on a client's success.

Retail clients are particularly accustomed to seasonal spikes during the holiday season. For a major retail brand, Arise regularly flexes fivefold each holiday season, expanding from 300 client support professionals to over 1,500 to tackle sales and customer service holiday volumes for 30-45 days.

For a high tech client, Arise flexed 203% for the holiday season to support a variety of services for mobile customers. As important, Arise finished the period with the highest sales close rate and CPU rate as compared to the client's internal operations and all competitors.

A major online drugstore experiences 175%+ more calls over the holidays. Arise has been able to flex to meet this demand for four consecutive seasons while meeting or exceeding the client's QA and CSAT goals.

For the 2012 tax season, Arise certified over 1,000 client support professionals in less than 8 weeks. During a four week peak, Arise ramped an additional 400+ professionals and flexed 30% beyond committed hours to cover a second vendor's shortfall, all while achieving the #1 Net Promoter Score for the category, 9.3percentage points better than the second place provider.

The largest cruise line in the world experiences significant seasonality and relies on Arise's IBO model to deliver a superior customer experience and increased sales performance. Volume scales from annual lows in December to a 30%+ increase in January that extends through March.

Benefits of Greater Flexibility

A virtual crowdsourcing solution for call center services, such as that offered by Arise Virtual Solutions, is significantly more flexible and cost effective than a traditional brick-and-mortar model for the following reasons:

- **Shift Scheduling** – The virtual model allows for scheduling in 30 minute increments rather than the four or eight hour blocks of a B&M center. This allows for resource planning to closely parallel customer demand and requires clients to only pay for time spent taking calls. With a brick-and-mortar model, companies typically incur major costs when peaks subside because they still have to pay employees for unused time.
- **Highly Qualified Talent** - With the virtual model, client support professionals are able to provide service on a full-time or part-time basis. This is a great attraction for high-caliber talent looking for work/life balance and gives companies utilizing a part-time, crowdsourcing model access to a pool of talent 2 to 2.5 times greater than traditional brick-and-mortar centers. When extra resources are needed, calls are answered by highly skilled and experienced professionals rather than short-term, temporary agents.
- **Real-Time Adjustments** - A large talent pool combined with flexible scheduling and commute times measured in seconds rather than hours, makes it easy to accommodate fluctuating demands. For example, a request to flex 20% only requires asking client support professionals to work an additional 3-4 hours per week with the part-time crowdsourcing model. On the other hand, asking a traditional center with 100 full-time agents to flex 20% would require a full day of overtime from every agent.
- **Expertise in a Wide Range of Services** - With a virtual network, companies have access to professionals skilled in handling all call types and modes of communication. From high quality voice, email, chat and mobile customer service, to sales and technical support, the virtual business model has expertise at every level. A virtual model can also connect like minded callers and agents, such as a military veteran supporting a military veteran. This combination of expertise results in a much improved customer experience, greater empathy, and ultimately improved sales and performance metrics.

The ability to flex on demand enables an organization to address volume increases that they otherwise might not be able to handle. By providing adequate levels of support at all times, clients of the virtual crowdsourcing model enjoy:

- **Better customer service with higher CSAT, NPS and other service levels**
- **Lower cost of sale or service by avoiding overtime pay for traditional employees**
- **Higher revenue by building brand loyalty and avoiding lost sales due to frustration**
- **Minimize hold time and lower abandonment rates**

Furthermore, utilizing a virtual crowdsourcing call center solution has proven to contribute positively to a company's profitability by increasing revenue during seasonal peaks without adding additional cost. For example, in 2011, a retail client generated over \$3 million in unplanned sales revenue by partnering with Arise and deploying the crowdsourcing model. These results are common among Arise clients that routinely deal with seasonal and unplanned spikes in their business.

Working with Arise

In conclusion, the Arise virtual crowdsourcing model offers the greatest competitive advantage when it comes to capturing revenue and protecting a brand from planned and unplanned increases in customer contact volume.

“The virtual call center service Arise offers using a crowdsourcing solution offers tremendous flexibility, whether for planned spikes or when a natural disaster strikes. This is one reason why we expect spending on customer care BPO using home-based delivery to increase at a CAGR of 25% through 2017. Few organizations offer such a robust business continuity plan as Arise, due to its virtual call center service and unique crowdsourcing model.”

- Melissa O’Brien, Research Analyst at IDC

Companies must be flexible and nimble to profitably compete in today’s global economy. Through the benefits of the virtual crowdsourcing model, Arise gives companies the edge they need to succeed and delivers better results at all times.

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