

Case Study

Firstsource Rightshoring delivery model and process excellence helps a global telecom operator deliver excellent customer service



Won 2007 "Telecommunications Outsourcing Project of the year" award - National Outsourcing Association (NOA), UK .

Background

The client needed to build flexibility and operational excellence along with improved customer satisfaction into its customer service operation to stay ahead in the highly competitive global telecom market.

The Solution

Firstsource leveraged its Rightshoring delivery model combined with its award winning process excellence practice and an innovative Real Time Marketing solution to deliver high quality customer service to the client.

Key Benefits

Firstsource delivered high quality talk time, increased customer satisfaction and improvements in Average Revenue per User (ARPU) as a result of its streamlined onshore/offshore operations.

"We have worked very closely with Firstsource and established a real working partnership that is delivering excellent service to our customers. This has been substantiated by the excellent results that Firstsource has achieved in our Real Time Customer Satisfaction Surveys. For a brand new contact centre, Firstsource has quickly established itself within our outsourced estate and become a valuable part of our customer services operation."

Client's Outsource Manager

► Background

The client is a UK based global mobile communications company with over 232 million customers worldwide. After carrying out a strategic review of its outsourcing strategy, the client concluded that it needed to extend its global customer service footprint. Firstsource was selected due to its Rightshore delivery model, allowing the client to place the right process in the right location. Having seen the process improvements that Firstsource achieved for other clients, Firstsource was appointed as a 'Catalyst Partner' to undertake an objective review of its customer service processes. The aim was to identify improvements that could be rolled out as best practice to all customer service centres - both in-house and outsourced.

► The Challenge

As a global operator, the client needs to build flexibility and operational excellence into its customer service operation to enable it to achieve:

- Increased Average Revenue Per User (ARPU)
- Reduced customer churn through improved customer service and satisfaction
- Lower cost to serve customers and increased profitability

► The Solution

The Rightshore model adopted for this client consisted of inbound customer service calls directed to Belfast, UK, with email responses and back office administration located in Mumbai, India. Firstsource identified the following areas for initial improvement

- Reduction of AHT (Average Handle Time) as a means to achieve service level efficiencies, improving customer satisfaction and reducing churn
- Improvements in sales through service (cross-selling and up-selling across a range of the client's products and services) to improve ARPU

As part of Firstsource's process excellence culture, new projects are continually being implemented to identify and improve the client's processes. Other processes currently under review include escalation tracking and reducing the amount of discounts and other customer giveaways (leakage)

Average Handle Time (AHT)

The AHT reduction project was carried out by Firstsource's Process Excellence team, using Six Sigma methodology. The team undertook a detailed review of AHT to map out the call life cycle - with the aim of reducing AHT to a target of 450 seconds. They broke down the various components of Handle Time and developed the following solution areas:

- Streamlined and reconfigured the call management system to ensure calls are directed to the appropriate agents with the right skills
- A web-based 'Canned Interaction Page' allowing agents to use templated information relating to standard customer calls instead of typing notes from scratch. This freed up agents from making time consuming notes, dramatically reducing the After Call Work (ACW) element of Handling Time, which was taking up more than a quarter of total handling time
- Optimised the technology platform to ensure agent availability to take the next incoming call
- A new front-end application was developed to enable agents to search the client's knowledge management system faster and more efficiently

ARPU - Innovations in Real-Time Marketing

The client's sales through service platform is called Real-Time Marketing (RTM), which upsells & cross sells across a range of the client's products & services, emphasising customer service rather than sales. The client's other customer service providers were achieving 3-4% conversion rates from inbound calls. Based on experience in sales through service gained with other clients, Firstsource was confident that it could improve on the established conversion figure and therefore set itself an ambitious target of 12% for RTM and implemented Six Sigma process improvements which included:

- Creating a dedicated RTM coach to drive performance and initiating RTM training workshops
- Creating a RTM dashboard for performance tracking and identifying trends and opportunities and establishing a governance model
- Proposing an SMS follow up option to drive fulfillment
- Implementing an incentive plan to encourage agent behavior

► The Benefits

- **Quality Talk Time = Reduced AHT + High Customer Satisfaction**
The combination of adjustments in handling time has contributed to reducing AHT by over 2 minutes (under 400 seconds) and subsequently higher Real Time Customer Satisfaction levels

Estimated cost savings to the client from these time and efficiency savings are in the region of £750,000 per year

- **Increased Customer satisfaction**
The client's daily Real Time Customer Satisfaction surveys that rate customer experience show Firstsource consistently achieves the highest scores, ever since the Belfast centre's first week of operation in August 2006

Firstsource has now passed the milestone of 1 million customer interactions in Belfast for this client and the daily customer satisfaction index remains consistently high

- **Improvements in ARPU – Up sell and Cross sell**
Firstsource's RTM solution has resulted in achieving the 12% conversion target. Since then Firstsource has consistently gone on to improve the scores up to 17% which contributes significant additional revenue for the client

The partnership has been endorsed by National Outsourcing Association, UK when Firstsource won the 2007 'Telecommunications Outsourcing Project of the year' award. The panel of judges particularly noted Firstsource's rightshore strategy, commenting: "Firstsource excelled brilliantly at combining offshore and onshore seamlessly. They provided clearly defined, measurable objectives and outstanding training provisioning."

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a global provider of BPO (business process outsourcing) services headquartered in India. Firstsource provides customized business process management to global leaders in the Banking & Financial Services, Telecom & Media and Healthcare sectors. Its clients include Fortune 500 Financial Services, Telecommunications and Healthcare companies. Firstsource has a global delivery model with operations in India, US, UK, Argentina and Philippines. (www.firstsource.com)