

Panama-based Call Center outsourcer leverages VoIP to centralize multi-national operations

Star Contact reduces clients' costs and optimizes productivity with Quintum's Tenor VoIP switching platform

As the Spanish-speaking market inside and outside of the U.S. continues to become more lucrative, companies are looking for more efficient and effective ways of serving Hispanic customers across North and South America. And, thanks in part to its implementation of Quintum Technologies' innovative Tenor Voice over IP switching platform, Panama-based call center outsourcer Star Contact can now help them do so.

One of the biggest challenges historically faced by companies doing business in Latin America has been the multi-national fragmentation of the Hispano-American market. With customers scattered across so many countries – including the various small countries of Central America – call center costs have been overly burdensome. Companies doing business in this region have had to maintain offices, communications equipment and staff in each of these countries. That's been expensive and inefficient, since it eliminates economies of scale. Maintaining a small presence in each country also creates labor inefficiencies as staff in one country may be relatively idle while staff in another country is overloaded.

Star Contact's solution is simple: use IP telephony to cost-effectively "funnel" calls from every country to a single, centralized Spanish-language call center in Panama City. This allows Star Contact to provide its corporate clients with a virtual presence in each country, while gaining the efficiencies of scale that result from pooling all calls to a single facility.

"With VoIP, we can provide our clients with local in-country phone numbers anywhere in the world and then inexpensively route those calls to our main call center," explains Jason Laffrey, Star Contact's director of IT and Business Process Management. "It's a win-win for us and them, because we can allow them to provide their customers with excellent service deliver at reduced cost while at the same time maintaining the healthy operating margins we need to be profitable."

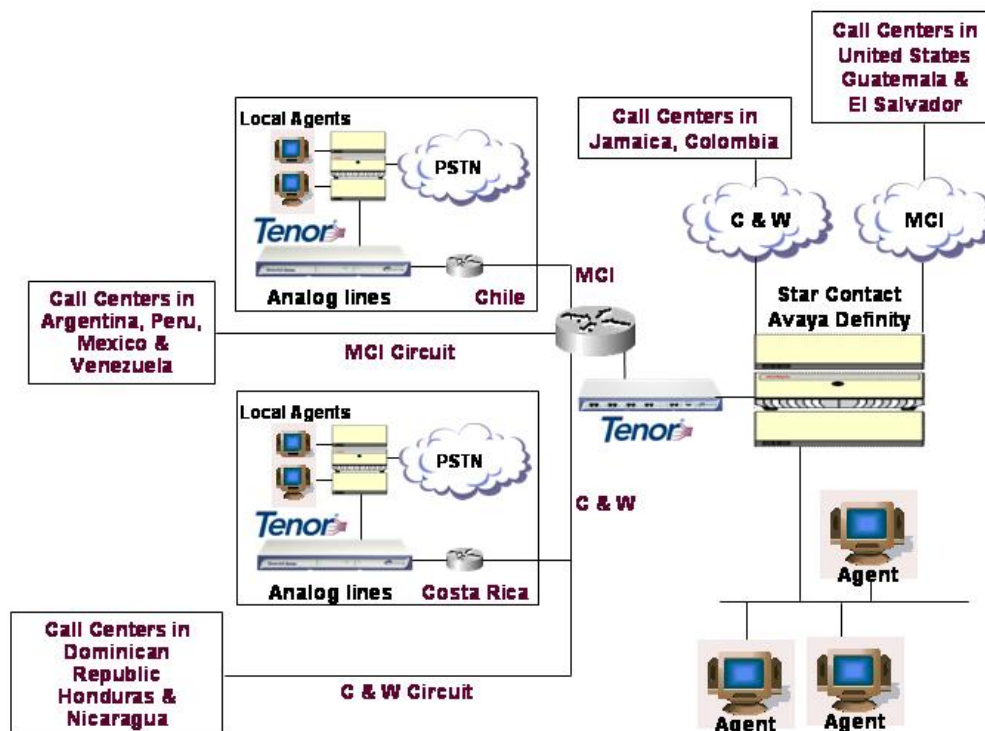
Necessity and Invention

Laffrey and Star Contact originally investigated VoIP-based call routing after one of its biggest local customers in Panama, Copa Airlines, began looking for a better way to support English and Spanish-speaking customers in the United States. Connecting a toll-free U.S. number to an offshore call center in Panama obviously enabled both the airline and Star Contact to provide that support at a much lower cost-per-agent. Once the model was proven, it was extended to Central America, the Caribbean and South America.

According to Laffrey, however, the benefits of a centralized call center extend well beyond labor cost savings. With its entire staff and all of its calls located in a single facility, Star Contact can more readily apply capacity wherever and whenever it's needed most. "When every agent can take a call from any country, you can more easily respond

to the periods of peak activity that occur when circumstances or special promotions drive up traffic from a particular geographic market," says Laffrey. "That flexibility also allows us to dynamically allocate our staff resources to different customers as their needs fluctuate from day to day and week to week."

Another big advantage in keeping everybody under one roof is control. With all agents for all countries in one place, Star Contact can more closely monitor their performance and keep them updated with each client's constantly changing business information – which is obviously essential for clients like Copa that have to keep customers informed about flight and ticket availability. "Because close supervision and pro-active motivation are so important in the contact center business, hands-on management is really essential," notes Laffrey. "You can't do that if your agents are scattered all over the Americas."



The Right Technology

Unfortunately, everything did not go smoothly when Star Contact first started using Voice over IP. Before adopting Quintum's Tenor VoIP technology, Star Contact used time division multiplexing (TDM) equipment from another vendor. That earlier hardware architecture required multiple gateway devices in each location and was much less reliable.

"When you have a bunch of VoIP gateway equipment in different locations, you run into a real problem when things go wrong," says Laffrey. "It's just not that easy to get a technician out to a remote office in an emergency."

Laffrey adds that those outages weren't good for Star Contact's client relationships: "It's not good when your client informs you that there is a problem with your phone service. That's the kind of thing you want to know about and fix before they find out about it."

Quintum's solutions turned out to be far more effective for a variety of reasons. First of all, the Tenor switching architecture only required one device in each location – and those devices turned out to be much more reliable than their gateway predecessors. The management software for the Tenors also ensured that Laffrey was alerted if there was any kind of hardware problem.

Better yet, the Tenor VoIP MultiPath Switches' SelectNet™ functionality allowed Star Contact to provision failover measures in the event of a network problem. For remote offices connected to the Panama City facility via leased lines, the Tenor switches automatically switch over to a virtual private network (VPN) connection. For remote offices connected via a VPN, the switches can automatically route calls over the public switched network until the problem is resolved.

"Quintum's automatic failover capabilities are very valuable when it comes to maintaining service continuity," says Laffrey. "That's not something you can find in other VoIP switches."

A Growing Opportunity

Based on its initial success with Copa, Star Contact has extended its centralized call center services to other clients. The power of its new value proposition is underscored by the fact that its Panama City call center has grown 400 percent from 200 to 800 agents in the last three years. And, thanks to the efficiencies offered by its new model, the actual volume of business it has been able to support has grown even faster than that.

Star Contact has also leveraged its VoIP capabilities to introduce a variety of innovative calling and paging services to business and consumers throughout Latin America. Because VoIP allows Star Contact to reduce its call-carrying costs, it can offer these services at very competitive prices and still maintain good profit margins.

With the buying power of the Hispanic consumer growing every day – especially in the United States – and with the new economics being created by today's highly reliable VoIP technology, Laffrey sees no slowdown in sight for the growth of his company.

"There is tremendous synergy between today's large-scale demographic shifts and recent advances in call center technology," declares Laffrey. "If you're willing to change your business model and infrastructure investments accordingly, you can ride those twin waves to a very, very bright future."

