

Virtual contact centres are a genuine option now, not just virtual reality. This means you no longer need to buy ACD, PBX or CRM software to have fantastic communication with your customers. You don't even need a dedicated contact centre building any more.

Virtual contact centres do exist. Genuine ones. It's hard to track them down, but they are there and as the decade progresses they're going to become an increasingly common sight on the customer contact map of Europe.

Not everyone agrees on what a virtual contact centre is though.

Healthspan, a producer of healthcare products such as vitamins and supplements, has used the IP capability of the Siemens Realitis DX Xpress II to extend the boundaries of its main contact centre in Guernsey in the Channel Islands. It now incorporates six agents in Gosport on the south coast.

"They are part of the main contact centre in every way except location," Siemens explains. "They receive screen-popped data in exactly the same way as their colleagues on the island."

Cable and Wireless is offering a similar solution, this time based on Cisco's ICM product which it has integrated into its network. Remote agents can log on from any secure Internet link and connect to the ICM to become part of the same routing and queuing groups as their colleagues in the contact centre.

ICM is also allowing Cable and Wireless to offer a similar solution to companies that want to bring a number of distributed contact centres together to function as one.

Excellent solutions one and all and they have been for years. Both providers describe them as virtual contact centre solutions, but they aren't really. Not in the strict sense.

Virtual contact centre solutions can't have at their heart a real contact centre with hardware, software, people, break-out areas

Virtual contact centres now more than virtual reality

with Playstations and chocolate-vending machines, central heating and a car-park.

Something that's virtual can't be real, tangible and just off the M56. Virtually fat-free yoghurt has fat in it. A virtual reality visit to the beach can't allow the 'traveller' to taste the salt air.

Virtual contact centres, then, are not contact centres at all. The operator has never bought an ACD, an IVR or a big fat box of CRM software and one agent, in theory, need never even see another; anyone can work from anywhere on the network and it's the network that carries all the functionality they need, most often in a service provided as a hosted solution by a third party.

"The technology is there for us to be able to offer this kind of solution too," says Trevor Richer, Cable and Wireless's global director of eCRM and convergent applications. "But it's not what our customers are looking for, mostly because of HR considerations such as management control, training and so on. There would be real management and motivation issues with that kind of set-up. When companies do use remote agents it tends to be experienced people who have

worked in the contact centre for years but who, for whatever reason, want to work at home now."

This hasn't been the experience of Finnish technology provider Wicom.

So far, most of the resistance it has encountered to its IP-based contact centre solutions has been because of companies' security fears, that offering remote access may expose their networks to people outside their organisations. Wicom VP Matti Laamanen says that with some standard firewalls in place, it's easy enough to overcome this.

The Wicom technology is becoming more widely known across Europe; in a matter of months, the company has opened offices in Amsterdam and Munich and is beginning to bring on board customers from Austria, Italy, the United Kingdom and Belgium as well as from The Netherlands and Germany and its Nordic base.

A handful are already using the technology — which Wicom usually offers on the ASP model — to run virtual contact centres, an option which Laamanen believes more and more businesses are going to take in the course of this year and in the years to come.

"We have one client company," he explains,



"which was planning to set up its contact centre in the usual way: hire 50 people, find some premises, buy all the equipment and so on. They hadn't included Wicom in the tender exercise because they didn't know about us. But they got to hear about our IP solution, came to see it and were astonished. Did this really mean they could set up their contact centre operation with existing customer service staff in offices they already had in place?"

Yes it did.

Soon the company, a pensions and insurance provider, was running its customer contact operation by having people log into the user interface of the Wicom contact centre solution for however many hours were necessary and then logging out again to get on with other work, all from the same workstation.

Laamanen believes there are many other companies for whom this would be a good solution, especially, he says, middle-sized companies.

"They don't need a contact centre," he says. "Let them use the customer service people who've been working in the business for years and have all the in-depth knowledge of it. That's much better than using students who'll stick around for maybe four or five months."

They can use any PC in any workstation as their terminal but Laamanen points to developments in wireless LAN technology that will soon make it cheap and easy for people to use PDAs, laptops and even next-generation mobile phones to log into the contact centre set-up.

Think of the implications here. The banks and retailers of Europe have moved customer service staff in their hundreds of thousands into great wired-up warehouses on the peripheries of our cities. There's no need to do that any more. You have the buildings, you have the people: connect to the network from the city-centre branch or the shop in the mall and have people take

customers' calls from there. Mix their day up with spells on the phone or the Internet and some time serving customers face to face.

Laamanen says he no longer sees any reason to buy traditional technology, not for companies considering a new investment at any rate. For companies with PBX-based technology already in place, he can understand the reluctance to uproot everything and kit out their customer contact operations all over again before they absolutely have to.

He also points out that it can be hard not to get swallowed up by the "sales and marketing machines of the big companies" who have a vested interest in preserving the shelf-life of switch-based technology for as long as possible.

Cisco, a partner of Wicom's, does not fall into this category. It has, arguably, worked harder than any other technology provider to promote the rise of the IP contact centre.

Tim Stone, solutions marketing manager [applications] for Cisco, says his company is seeing plenty of interest now from service providers, ASPs and start-ups who want to take Cisco's contact centre software and IP infrastructure and offer — in the same way as Wicom — a hosted solution to clients who want to run a virtual contact centre.

Stone says there's also a demand for "a more traditional deployment" with Cisco selling direct to the end-user organisation.

"They build a datacentre," he explains, "and host products such as our call manager, IVR and ICM applications there. We have clients in Switzerland, from a utility company, who are serving branches in eight different locations from one datacentre. They are extremely happy with this set-up."

The utility has 70 agents across these eight sites but, Stone says, they now work as one team linked to one system and he feels justified in referring to each of the eight as a virtual contact centre. "The eight branches used to work independently," he explains, "each with a separate ACD. There could be calls queuing up at one site while agents at another were idle but now they work together as one skill-group."

This has made it possible for the utility company to increase its customer contact performance from 35 per cent of calls answered within 20 seconds before to 85 per cent now.

It's gearing up to add e-mail and Web contact in the near future.

Stone quotes a recent Datamonitor report which says 65 per cent of contact centres

early virtual reality

Technology providers were talking about virtual contact centres a long time before VoIP became all the rage. Computer telephony solutions company GemaTech introduced its remote service manager solution in 1998 and announced: "The virtual call centre has arrived!"

The RSM makes "intelligent use" of the PSTN to extend the office phone and computer systems to remote homes and offices.

It's a way of forwarding



calls and data to people who want to work at home or to extra agents you bring in at peak times. RSM can support up to 10,000 remote agents and can receive up to 30,000 simultaneous calls. Remote agents use their home telephones and RSM only establishes a connection when it needs to. There are no "expensive

dedicated fixed links" which helps keep costs to a minimum.

GemaTech intends to offer the solution on the ASP model from Q3 this year. MD Graham Chick makes no apologies for avoiding the rush towards IP. "I've seen too many VoIP demos fail," he says. "We're using technology that works."

will be IP-based by 2005, making virtual contact centres a much more prominent part of the customer contact landscape of the future. He says Cisco's own projections are "on the aggressive side of that figure", boosted by the fact that the company's shipment of IP telephones has now reached 300,000.

Until the reference to IP phones, Stone would have found himself very much in agreement with Erik Laurence of CosmoCom.

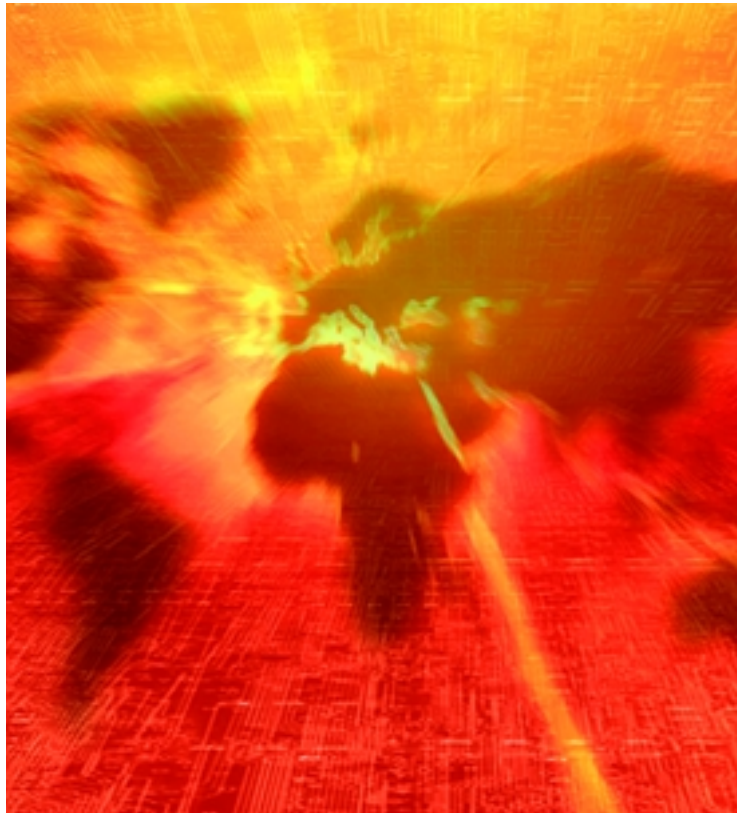
Laurence too thinks that contact centres with walls, desks, carpets and people can be virtual. His definition of a virtual contact centre is one which doesn't have the ACD, PBX or CTI equipment on site. "They don't have a big iron ACD," he says. "All the ACD functionality sits in the proverbial network cloud somewhere. That's the virtual contact centre in its easiest form."

He's talking about hosted contact centres; it's these that make the virtual contact centre possible and IP is what makes it virtual. But in what he calls its "most elegant form", the virtual contact centre is one whose agents are sitting at home or anywhere. "It doesn't matter if the agents are down the hall from the ACD or around the world from the ACD," he says. "All the feature functionality is supplied from the cloud and all the agent needs is an IP connection, a PC and a headset."

Laurence is excited by the news that made the front page of The New York Times in June saying that Microsoft was preparing to put an "intelligent phone" into every PC when it launches XP, its new operating system, in October. It will mean voice over IP has truly come of age.

And this is where Laurence parts company with Tim Stone of Cisco because he regards IP phones — IP-enabled telephone handsets such as the ones Cisco is selling across the world now — as something of a contradiction in terms. "It's IP dumbed back down into the telephone," he says. "It's like people need to have a telephone handset as a security blanket but they're missing the boat. Using the PC as a phone is what makes sense."

A whole bunch of people using their PCs as phones and linking together to be part of all the ACD routing activity will form a virtual contact centre and Laurence believes there's a lot of "untapped demand" for customer contact set-ups of this type.



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Erik Laurence, CosmoCom, on IP phones

He doesn't see why companies should have to invest in all their own capital equipment and in the people to keep it all running. They all have their own expertise he says — whether it's selling clothes or airline tickets — and his fear is that they will all end up "running a telco of their own" with an IT department in tow to keep it working. Instead, he insists they should let a service provider focus on that and concentrate their own efforts on their core business.

We are experiencing what he calls "the beginning of the revolution". Microsoft looks like it is ready to embrace the idea of VoIP which enables hosted and virtual contact centres. This, Laurence says, will encourage many companies to think about the idea more seriously and test it. He also points to a "major US telco" [which he says he can't

name] which is on the point of launching a hosted contact centre offering.

In Europe, CosmoCom's technology has allowed Finnish telco Sonera to launch its own ASP for the enterprise market, Sonera Juxto.

"With names like these behind this idea," Laurence says, "I think we can really unlock the potential of IP and virtual contact centres."

This means top-of-the-range customer contact solutions will no longer be the preserve of large, wealthy companies. Small enterprises need to have, and deserve to have, the best possible communication with their customers in exactly the same way.

How can they achieve this? For many, the answer will be the virtual contact centre. ■