

Today's Entrepreneurs Use Outsourcing as a Solution, Not Just as a Service

By Randall McKee
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The other day, I phoned a menswear company to find out more about their business. A nice lady answered the toll-free number, which I realized had been forwarded to a cell phone. She asked my name and business and then handed the phone to the CEO/ sales and marketing director. While conversing with me, this fast-talking, genuinely honest person was simultaneously entering a new order to fulfillment via a wireless laptop and obviously hurtling down some expressway, most likely to source new and exciting products while still getting business done. This explains why their corporate profile includes only four employees. The lady who answered the phone counts for one, and he is probably the other three!

This, my friends, is the new face of the catalog industry: a fantastic illusion whereby business owners and operators are no longer trapped in their offices or warehouses, no longer bound by business images of old. No vast employee woes, no expensive phone systems, no bricks and mortar. Today's storefronts are made of ones and zeros, managed by PDA and wireless laptop-wielding visionaries.

Overhead is manageable because it's more clearly visible, allowing for more actionable cost-of-business controls, something the traditional business owner may have more than a little trouble ferreting out. Outsourced warehousing and fulfillment, customer care, and marketing campaigns are becoming the norm, which is good news for those of us who offer outsource services in this brave new world.

I asked Ian MacDonald, vice president and general manager of CenturyNovelty.com, a Multichannel Merchant Award 2009 Silver Winner, to express how outsourcing affects his business.

"Outsourcing customer service creates a competitive advantage on the cheap," said MacDonald. "Every company would offer 24/7 service if that convenience to the customer would generate enough sales to be profitable. Outsourcing makes 24/7 service affordable; in fact, it is far less expensive than trying to do it in-house. With in-house staffing, you pay your employees by the hour, whether they're on the phone or browsing Facebook waiting for the next call. With outsourced agents, you pay by the minute and only when they are on the phone. A recent review of our services found that sending our calls to an off-site call center was 44 percent cheaper than staffing our internal call center 24/7.

"24/7 availability shows your customers that you're serious about providing a stellar customer service experience. When you're open all day, every day, and your competitors are only open eight or ten hours a day, customers notice and understand who values their business.

"Outsourcing allows me to focus on growing my business, not running it. What if one of my agents calls in sick or wants to leave early? Now it's not a problem because we just send the calls to our outsource call center."

This new vision has efficiencies built right in when you consider that instead of purchasing or leasing space to operate, answering phones to manage customers, requiring equipment to

manufacture, and people to pick, pack, and ship, these processes can be outsourced to those who already do these things and do them well.

Today's entrepreneurs may not be the mom-and-pop shops of yesteryear, but they care about their customers, they're ready for your business, and they're here to stay – with the help of outsourcing call centers.

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