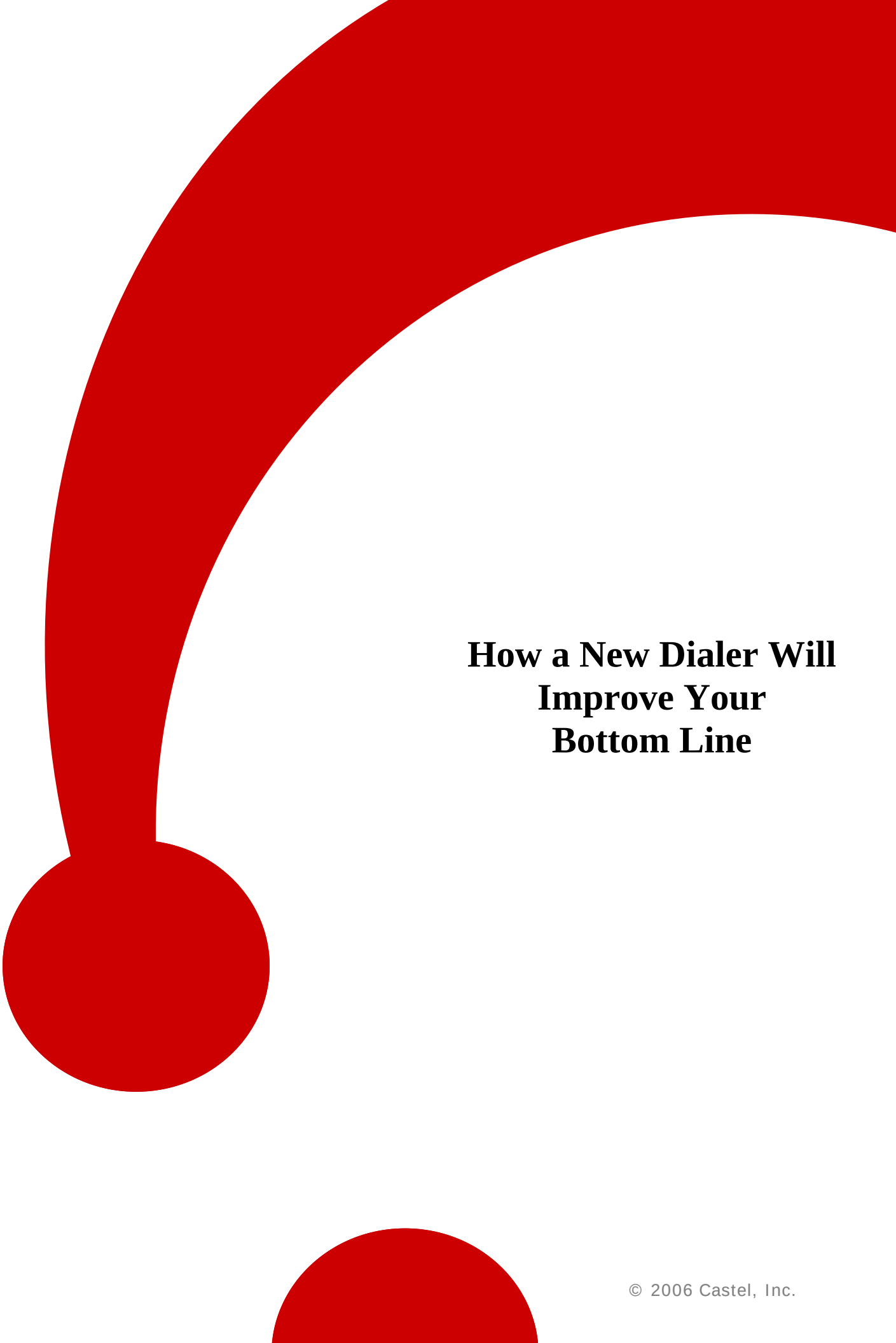

How a New Dialer Will Improve Your Bottom Line

Dialers two to five years old don't offer the technological capabilities needed to achieve competitive and bottom line benefits required in today's call center environments. An outdated dialer may work fine and even live up to original expectations. But those expectations may no longer be reasonable, based on market and technology changes that have occurred since the original investment was made. Call center managers must consider not only what their dialer is currently doing for them, but also what increased bottom line benefits they could achieve with a new dialer that leverages the latest technology.

HOW MUCH CAN A NEW DIALER SAVE YOU?

In a 2 million call attempt/month scenario:

- Reduced wait time — save more than $266,000/year plus gain a 13% boost in agent productivity
- Faster connects and disconnects — save $15,000/year
- Increased accuracy when detecting answering machines — save $40,000/year
- 100% accuracy in detecting connects — save $60,000/year
- Phone number validation and SIT tone segmentation — save $60,000/year
- Reduced downtime — save $72,000/year

When it comes to dialers, many call center managers have the philosophy that if it's not broken, don't fix it. This would be an understandable approach were it not for the fact that expectations of performance may be based on outdated technologies. A personal computer purchased in the late 1990s, for instance, may still work very well, but it certainly is not offering anywhere near the expected performance of a PC purchased today. Furthermore, that new PC is likely to be more reliable, support more features, and carry a lower ongoing maintenance cost than the old model.

Dialers are no different. An outdated dialer may work fine and even live up to original expectations. But those expectations may no longer be reasonable, based on market and technology changes that have occurred since the original investment was made. In other words, the question call center managers must consider is not what their dialer is currently doing for them, but what increased bottom line benefits they could achieve with a new dialer that leverages the latest technology.

Reduced Wait Time

Consider, for example, new dialers that take advantage of faster processors and fully leverage ISDN technology can dial more numbers more accurately and in less time. As a result, they can significantly cut the amount of agent idle time between calls. With older dialers, this wait time is at least 20 seconds, but with newer dialers this figure can be cut to as low as 10 seconds. To assess the benefit of this reduction, let's look at a scenario where two million calls are made each month, and where 40 percent of these calls are answered and 33 percent of answered calls are greeted by an answering machine.

Now, assuming a conservative savings of just five seconds in wait time for each of the 532,000 monthly calls connected to agents, a new dialer could save 740 agent hours each month. In other words, at $30 per agent hour, the reduced wait time

possible with a new dialer could translate into a bottom line savings of $266,400 every year.

In addition to saving such significant sums, reduced wait times of new dialers can also be instrumental in generating increasing revenue streams. Consider that with older dialers having a 20 second wait time between calls, if average call length is 60 seconds, an agent can make 360 calls in an eight-hour day. But in a similar scenario with a dialer featuring a 10-second wait time, each agent could make 408 calls per day—a full 13 percent boost in productivity.

Connects and Disconnects

Newer dialers also leave analog technology behind in favor of more functional ISDN technology. This is a critical benefit because where legacy analog dialers typically take 10 seconds to make and disconnect a call, a newer dialer that fully leverages ISDN technology can accomplish this same task in just two seconds. This means that in the above two million calls per month scenario, processing the 1.2 million calls that are not answered and the 600,000 answered calls that do not reach the right party, would require 22 analog lines but only 17 ISDN lines. With line costs typically running about $250 per month, this savings translates into a bottom line boost of $15,000 each year.

Answer Accuracy

An even bigger benefit of newer dialers that fully leverage ISDN technology is their ability to ensure 100 percent accuracy in detecting when a call is answered. By comparison, older dialers typically offer 98 percent accuracy, leaving a potential for 60,000 calls to be erroneously routed to agents in our 2 million calls per month scenario. Assuming that these calls can be resolved at the rate of 240 per hour, this means that a new dialer could save an additional 250 agent hours per month or $60,000 per year. Even greater savings accrue from a highly accurate newer dialer because of a sizable reduction in dropped live calls, a reduction that optimizes opportunities for successful calls.

Answer Machine Detection

Newer dialers may also offer improved answering machine detection accuracy. In most legacy dialers, accuracy is only 85 to 90 percent. But newer dialers offer answering machine detection accuracy as high as 95 percent. In the scenario above where three million calls are made each month, almost 400,000 calls will be greeted by answering machines, and a ten percent increase in accuracy will enable 40,000 more calls to be properly categorized and *not* sent to agents. As above, assuming that an agent can process 240 erroneous calls in an hour, this means that the call center could save 166 agent hours per month, which, at $30.00 per hour translates into almost $60,000 per year.

SIT Identification

Additional savings directly linked to new dialers that take full advantage of ISDN technology stem from their ability to validate telephone numbers before dialing, and to identify and segment SIT tones so numbers can be re-routed to appropriate calling queues. With legacy dialers, call centers that require this capability are forced to use third-party vendors who typically charge $0.03 per name for the service. On a 200,000 name list, this cost would be $72,000; call centers using new dialers do not have to face this cost.

Reliability

But perhaps the single biggest cost saving possible with a new dialer stems from improved reliability. Although legacy dialers boast of being fully available 99.5 percent of the time, this factor could result into downtime of as much as two hours per month. In a call center with 100 agents paid an average of $30 per hour, this translates into an annual downtime cost of $72,000 in lost staffing costs alone. By comparison, newer dialers that offer six nines of reliability, or uptimes of 99.9999 percent, seldom, if ever, suffer any downtime—or any wasted staff time or associated lost revenues.

Performance Improvements

Not to be overlooked are the sizable “soft” savings of a new dialer. For example, a new dialer that offers an updated interface can enable agents to perform more productively by saving as much as two to three seconds per call. Campaign launching can also be dramatically faster in a newer dialer; where legacy dialers typically require 30 seconds of preparation time, newer dialers may get the job done in 10 seconds. And, once a campaign is up and running, newer dialers offer intelligent automated campaign management features that all but eliminate the need for manually tweaking operational parameters.

In Conclusion

New dialers also offer features not available with older technology platforms. Intelligent message delivery, for example, a capability only available on the newest dialers, lets users set multiple parameters that control the delivery of multiple prerecorded messages. Some dialers even enable messages to be personalized and allow recipients to immediately connect to a live agent, IVR, or other resource after listening to the message. New dialers can even enable automated messages to be delivered to answering machines while allowing other calls to be routed to agents.

Equally important is the ability of newer dialers to seamlessly interface with data mining solutions that empower call centers to optimize call results by increasing the probability of calling the right person at the right time.

What it comes down to is this: the answer to the question asked in the title of this paper is simple. You need to replace your dialer now because the cost savings and revenue generating opportunities possible with newer technologies are simply too dramatic to ignore. In the call center business, success is dependent on service differentiation, revenue optimization, and growth. To reach these goals, reach for a new dialer.