Synthesys™ - Delivering agility and consistency to customer contact

How can Noetica deliver high quality contact centre applications with clear Return on Investment?

A Noetica white paper

Contents:

1. Introduction

This white paper is an attempt to introduce the reader to the Synthesys™ software platform by providing an overview of the functionality of the product and most importantly its positioning within the marketplace.

In essence, the requirement for such a product stems principally from the distinction between software applications dedicated to vertical markets (such as finance, insurance, media, etc.) and packages positioned horizontally across markets providing answers to problems that are common to all verticals (such as CRM, call centres, SFA, workflow, etc.). Synthesys™ is a typical example of the latter.

Insofar as contact centres tend to exist across industries, it follows according to the arguments presented in this paper that the techniques involved in the operation of efficient, modern and successful contact centres form a discipline in their own right. As such, specialised software that supports this discipline regardless of the vertical market it applies to is required.

Synthesys™ is precisely this type of offering. By providing a generalised and truly flexible environment that encompasses the width of this field through a wide variety of modules, tools and utilities it lends itself easily to providing an ideal tool for any contact centre regardless of size, structure or specific vertical market.

2. **Executive Summary**

The concept of CRM has brought the subject of effective customer contact to the centre stage. Most organisations recognise now that being able to communicate efficiently and successfully with their customers is of paramount importance.

However, the solutions that have been on offer in this arena so far have fallen well short of the functional requirement of the modern contact centre particularly where agility and consistency of service are concerned. Also, the cost of CRM implementations has proven prohibitive to almost all but the largest of organisations.

Customer Interaction Management (CIM) systems and Synthesys™ in particular address this issue by providing an answer to the specific requirements of the contact centre market across all verticals. This is mainly due to the recognition that the techniques used to deliver successful customer contact within the context of a contact centre form a distinct discipline in their own right. Synthesys™ addresses precisely these techniques .

The first part of this paper presents a high-level overview of the architecture and functionality of the product and then proceeds to analyse the general Unique Selling Points of the system across all markets.

In the second part we look more specifically at six different horizontal markets within the contact centre space and provide a brief analysis of the positioning of Synthesys™ within each market, followed by a relevant case study.

Finally, in an appendix we provide a more light-hearted historical commentary of the parallel development of CRM and CIM and a brief analysis of the future of these two close yet significantly distinct disciplines.

3. Synthesys™ – a horizontal contact centre platform

The contact centre market has changed dramatically over the last few years. Following the CRM hysteria that took place roughly between 1998 and 2002, there is a growing realisation that large-scale CRM implementations have delivered no noticeable ROI, and in many cases ran out of steam before they could be fully deployed.

The dramatic decline in the fortunes of the large CRM vendors (Siebel being one of the most notable one, but by no means an isolated case) serve as proof that this trend is continuing, with most organisations now questioning the wisdom of pouring vast amounts of money into these never-ending projects.

Furthermore, it also became apparent over the last few years that although contact centres are perhaps the hub of customer contact within most organisations, the major CRM vendors have very little to offer in the way of specialised solution for the contact centre. The most that they appear to be able to provide is a modicum of CTI and some relatively clumsy attempts at contact centre specific functionality.

The reason for this state of affairs is that most CRM packages' origins lie within the SFA (Sales Force Automation) world and not in the contact centre application world. As a result, any contact centre functionality that they may support is by definition a "bolt-on" which is nothing more than an afterthought providing the minimum possible that would allow them to claim ownership of a contact centre or call centre module.

It is therefore imperative to ask the questions: What is likely to be the next phase in customer contact? Is there anything that can deliver at a reasonable cost where expensive CRM solutions failed to deliver? Can the CRM investment still be leveraged while providing the agility and flexibility that contact centres vitally require?

The answer to all these questions is yes. Customer Interaction Management (CIM) systems are designed to deliver precisely in the areas where the large CRM packages fail to provide an answer. Synthesys™ is best of breed in this market. Moreover, Synthesys™ also provides it's own mini-CRM solution, which allows it to be deployed where the CRM requirement is relatively light. Where this is not the case, Synthesys™ integrates seamlessly with most CRM systems to complement them and deliver the functionality that they do not support.

3.1 Contact Centre Software – a discipline in its own right

There is still significantly widespread confusion regarding the positioning of the contact centre within the enterprise. Many organisations still operate under the misapprehension that since the contact centre is simply an extension of the enterprise the software systems used elsewhere in the organisation with perhaps one or two "tweaks" would be perfectly suitable for use in the contact centre.

This is a mistake. The main reason for setting up a contact centre in the first place is to streamline customer contact, deliver consistent, quicker and more efficient customer interactions, achieve a higher proportion of first call resolution and achieve economies of scale due to dedicating less skilled staff to the task of interfacing with customers.

None of these benefits can be delivered if one expects the contact centre agents to use directly the same systems that the highly skilled back office staff typically use. Let's look at some examples. An insurance company, for instance, would have complex and highly sophisticated insurance software that would allow users to perform a huge variety of transactions.

On the other hand, the insurance system is not likely to offer less skilled users ways of achieving the most common transaction quickly and efficiently while on the phone. It also probably has no CTI, it provides no real statistics on agent activity, allow the call centre to collect marketing data or cross-sell and up-sell efficiently. It is not likely to have any outbound campaign management functions, live call centre monitoring tools, ad-hoc reporting, call scripting and myriad of other functionality that is contact centre specific.

The point we are making is that contact centre software has become a discipline in its own right. We are not simply talking about telephony-related functions, but a deeper philosophical difference between an enterprise application (such as finance, insurance, travel, etc.) which is *data-centric* and a contact centre application which is *process-centric*.

In other words, contact centre applications need to focus on process, in order to provide the benefits that contact centres were supposed to deliver in the first place. In the course of running such streamlined processes, the contact centre applications need to interact with many enterprise systems, but only deliver to the agent information that is relevant and at the relevant moment.

It also needs to allow the contact centre managers to manage these processes and monitor performance, while constantly striving to deliver further and further efficiency gains in a pressurised environment.

In the same way that enterprise workflow systems can streamline the *macro* business processes within a large organisation, CIM systems are there in order to streamline the *micro* business processes of handling a customer interaction session be it over the phone, via email, web-chat, or any other channel of communication.

3.2 CRM versus CIM

CRM (Customer Relationship Management) is a much-abused term. Its origins can probably be traced to the early 1990s when Sales Force Automation (SFA) and Contact Management (CM) systems vendors were seeking new markets for their products and identified an opportunity of expansion into the lucrative field of what was then known as Data Warehousing, Customer Databases, and Marketing Databases.

The general idea was that the enormous wealth of information that large organisations were accumulating regarding their customers and prospects was being severely under-utilised due to the inability of these large database systems to deliver this information directly to the people that needed it most, i.e. the customer facing staff such as the sales-force, customer service, the call centre and eventually the web.

As a result, somewhere around the mid 90s, software companies started to emerge offering large monolithic packages that would replace the old Data Warehouses and Customer Database systems with what has been known ever since as CRM systems. The late 90s saw a phenomenal growth in this market, fuelled partly by the IT bonanza that was later to be known as the "dot.com bubble" combined effectively with a frenzy of marketing hype of evangelical proportions.

By then most people were talking about CRM not as a technology, but as a philosophy, an ideology and almost a religious cult. In a matter of a few years most large organisations had a "Director of CRM" or at least a "CRM Project Manager". It seems to me that terms such as "CRM Chaplain" or "CRM Tzar" wouldn't have been far off the mark.

The big idea was to put the customer at the centre of the enterprise and make everything else depend on it. And as ideas go, it is not a bad one. After all, customers are the most important thing for any company. Being

able to provide excellent and personalised customer service regardless of which channel the customers choose to contact the company through would certainly deliver higher customer loyalty and recurring business.

The problem was not the idea itself, but the way in which it was to be made into reality. Most, if not all of the established CRM software vendors in the first big wave of such systems advocated a "big bang" approach to implementation, that is to say a wholesale replacement of most existing systems with a shiny new CRM system provided by themselves and implemented by their appointed system integrators.

The result was in most cases disappointing and in others outright disastrous. CRM implementations took years to complete and the costs spiralled into many millions. As a result, the return on investment was negligible or non-existent. For very large organisations, this was not such a big problem. The costs could be buried deep into the more obscure corners of the balance sheet and the new system could be branded a resounding success.
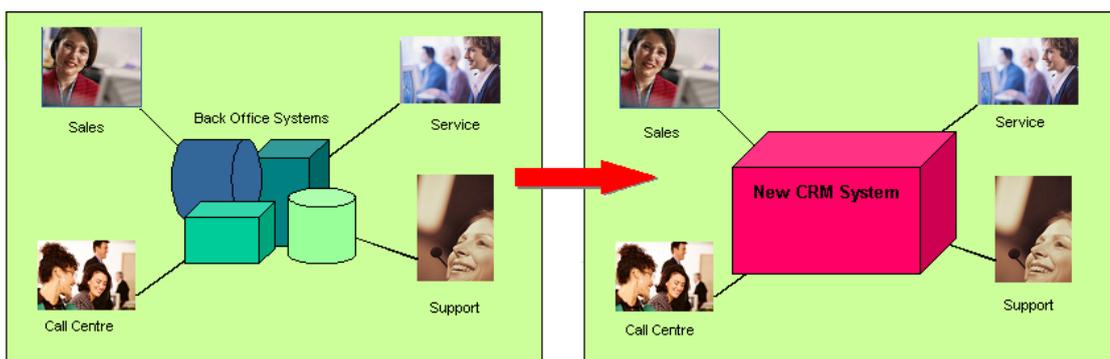
Figure 1: The Big Bang approach to CRM

In recent years, as CRM is beginning to become relevant to the SME market, a new approach to such systems is emerging. Software vendors, such as Noetica, are providing a common sense alternative to the big bang approach. Such companies have their roots firmly in contact centre technology and have been busy throughout the CRM hype years developing a parallel field known today as CIM (Customer Interaction Management).

What is CIM then? It is a way of managing the way in which your customer-facing staff interact with your customers or prospects. As opposed to CRM systems, which are data-driven (i.e. allow customer facing personnel access to customer data without necessarily guiding them as to what to do with it), CIM systems are process-driven. This

means that data is delivered to the agent as and when the process that they are involved in during their conversation with the customer requires it.
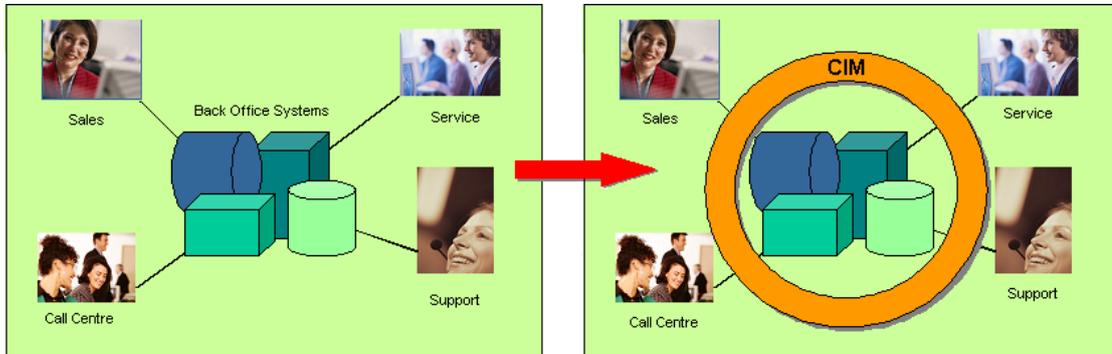

Figure 1: The CIM approach to CRM

The CIM approach to CRM is an organic one. It is based on the principle that an organisation does not have to replace all their existing back office systems in order to achieve the benefits of CRM. By simply wrapping a layer of CIM around such existing systems the same effect can be achieved at a fraction of the cost and with dramatically less disruption to the business.

Furthermore, CIM systems have many functional advantages over CRM systems, since they have been designed for structured customer contact and have their roots in the contact centre world. They provide such tools as rapid campaign deployment and excellent contact centre management tools, not to mention the elegant ways in which they integrate seamlessly into the existing infrastructure.

The future of CRM lies with these types of lighter, cheaper and agile solutions that can provide enterprises of all sizes access to the benefits of CRM without the expense and risk related to the old style monolithic systems.

3.3 Product definition

Synthesys™ is a software application framework aimed specifically at the contact centre environment. It supports the generation and deployment of specific types of applications (known as "callflow applications" or "callflows" or simply "flows") which are designed to assist and guide contact centre agents through customer interactions by implementing business rules that can be set up by non-technical users.

One of the main features of Synthesys™ is its extraordinary ability to bring together disparate legacy or back office applications into one set of coherent business processes without the need for lengthy and expensive integration work. This is due to its extremely flexible architecture that allows remarkably easy integration to other systems.
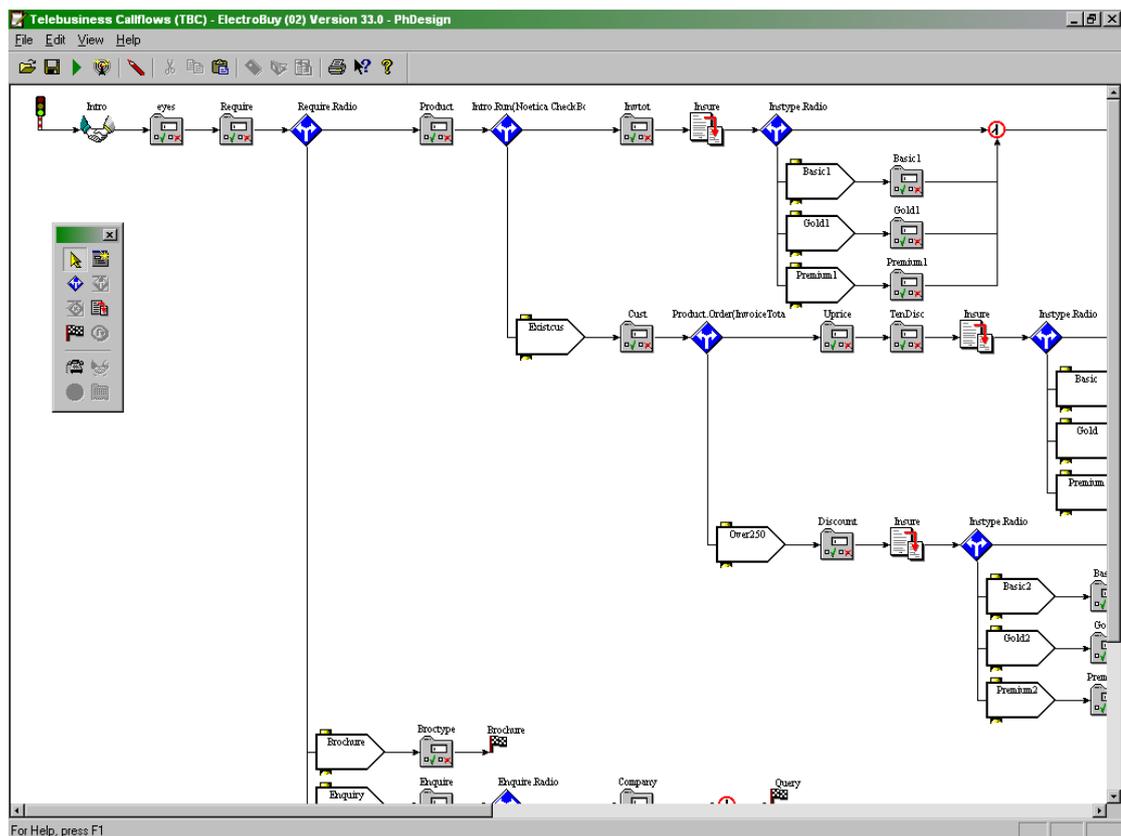
Graphical application development in action.

In addition to its main function as described above, Synthesys also provides further functionality aimed to assist the deployment of callflow applications and aimed at the delivery of a complete package for the running of a successful customer contact operation.

The most important of these additional functions are:

   3.3.1   Significant native CRM functionality
   3.3.2   Full platform independent CTI available on over 30 different telephony switches.
   3.3.3   Sophisticated Outbound campaign management.
   3.3.4   Patent protected (Patent number: GB2385487) fully proprietary predictive dialler
   3.3.5   Unique graphical Outbound Call Recycling Strategy designer.

3.3.6 Extensive data import/export facilities.

3.3.7 Advanced report management system.

3.3.8 Inbound email handling.

3.3.9 A rich library of components for specific functionality (such as credit/debit card payment processing, postcoding and rapid addressing, automatic direct debits, nearest location, etc.)

3.3.10 Contact centre workflow.

3.4 Main USPs

Synthesys™ delivers different benefits to different types of customers and this will be analysed later for each specific market. Generally speaking Synthesys is sold ultimately on the strength of a proven and extremely rapid Return on Investment (ROI) track record. The ROI is essentially based on cost reductions, improvements in service quality and customer satisfaction and increased revenues.

To put it concisely, Synthesys™ can deliver a much higher level of functionality and agility at a small fraction of the cost that other products or in-house development projects have traditionally been able to.

The USPs that are common to most markets are the following:

3.4.1 Consistent and improved level of service.

3.4.2 Dramatically reduced agent training times.

3.4.3 Extremely fast application development and deployment.

3.4.4 Less reliance on IT.

3.4.5 Higher levels of cross-sell and up-sell.

3.4.6 Handling more calls with the same number of agents.

3.5 Technical Information

The general high-level architecture of the product is illustrated below:
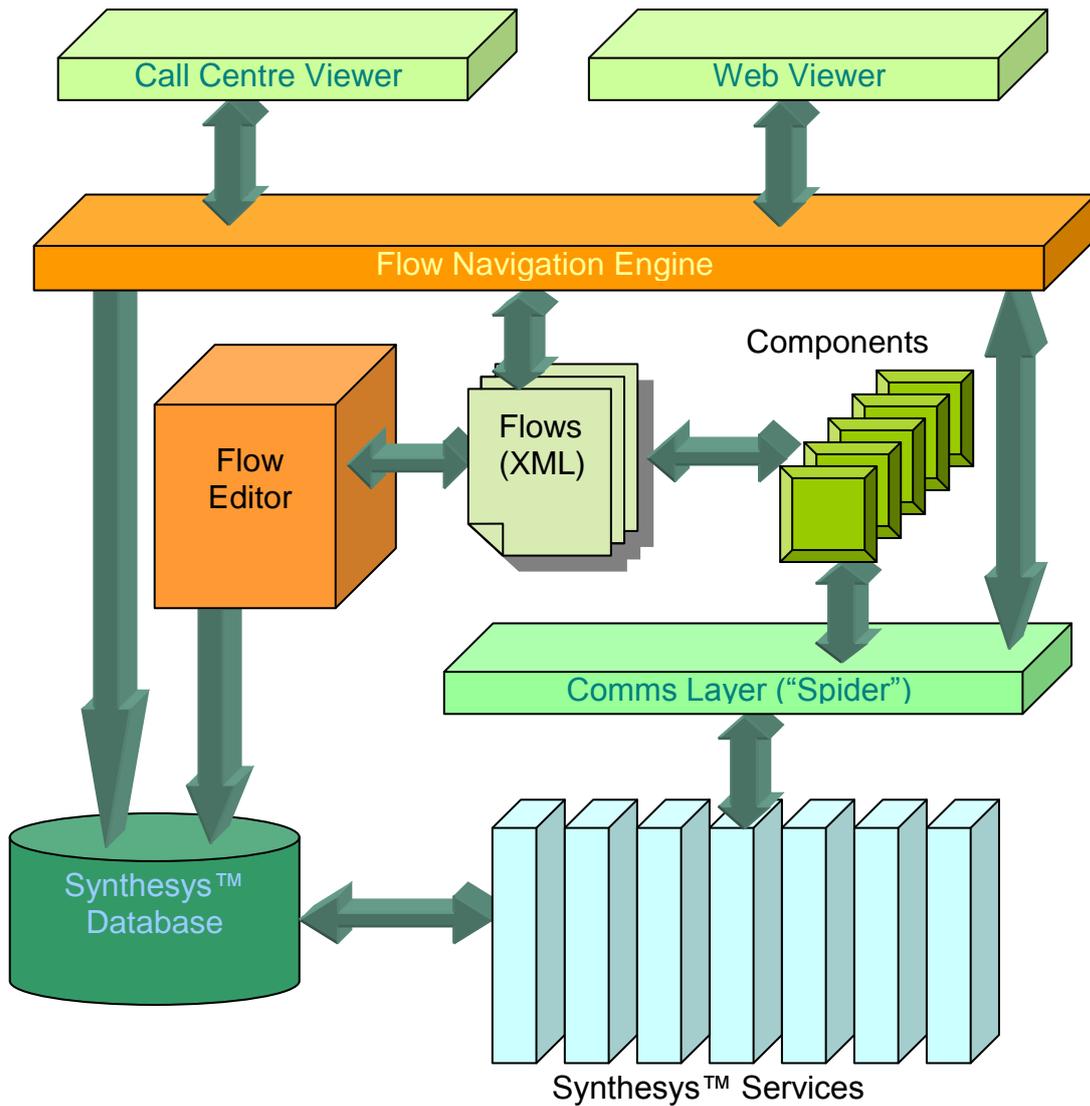
The system consists of the following main elements:

The Flow Editor is an application that allows non-technical users to create flows and by doing so generate, behind the scenes, the database structures necessary in order to support the deployment of these flows. The Flow Editor and the unique way in which it makes logic appear simple in a visually intuitive manner is probably the main differentiator between Synthesys and any other market offerings in this arena**.**

The Flow Navigation Engine is the module that facilitates the interactive use of flows by Synthesys™ users, be it in the call centre, on the Web or any other future environments. It essentially determines and activates the next step in a flow instance based on the current state of that instance. To put it simply, the Flow Navigation Engine is to flows what an operating system is to applications.

The Viewers (for Call Centre and Web) are essentially the Synthesys user interface. They cooperate with the Navigation Engine and with the software components in the flow in order to present an interface to the user and respond to user actions and commands.

The Components are the building blocks of flows. In a sense, flows can be seen as nothing more than recipes or maps describing how Components need to inter-operate in order to complete certain tasks. These components are ActiveX controls in the call centre environment and Web Controls in the Web environment.

The Synthesys™ Services are software modules that provide central services that interact with the various Components and with the Navigation Engine and provide support for such things that can only work centrally (for instance Unique Reference Numbers, Stock Control, Transaction Handling, CTI Services and many others).

The Comms Layer (also known as "The Spider") is a highly efficient proprietary mechanism, which manages the communications between various elements of the system. This thoroughly optimised piece of software guarantees that Synthesys™ can handle large volumes of transactions without deterioration in the performance perceived by the end users.

For the sake of clarity, a large numbers of other elements of the system have been omitted from this description. They include modules that handle workflow, reporting, fax, email, CTI and many others, which are an integral part of the complete system that is Synthesys.

Synthesys™ is essentially a Windows-based product that requires only the most basic infrastructure to run. A table of the minimum system requirement for Synthesys™ is shown below:

Hardware

Any network supporting TCP/IP networking protocols. For below 10 seats 10MB/s structured network is fine. For new installations and installations above 10 seats use 100Mb/s for best performance. Clients can also connect using ISDN for remote working.

Server

Server should include following: Windows NT 4.0 (Service Pack 6+) or Windows 2000 or Windows 2003; SQL Server 2000; CDROM: Ethernet Card 1xParallel port, 2x Serial; Keyboard, Microsoft mouse; tape backup, 56K Modem (for remote diagnostics) (IP connectivity also acceptable)

Workstations

Workstations should include following: Windows 9x, NT 4 or 2000 or XP or 2003; 32Mb Free Memory; Ethernet card, 15" Ultrascan monitor, keyboard, Microsoft Mouse. In addition, depending on the size of the installation recommended specifications for server/workstations are given below. It should be noted that these are recommendations only, different call volumes require different capacities.

Number of Seats	Recommended Minimum Server Specification	Recommended Minimum Workstation Specification	Database
Standalone	Pentium 500Mhz, 128MB RAM, 40GB HD	-	MSDE or SQL Server 2000
4 - 16	Pentium 1.5Ghz, 1GB RAM 60GB HD	Pentium 700Mhz, 128MB RAM (256MB if 2000), HD: 10GB	MS SQL Server 2000
17 - 32	Dual Pentium 1.5 Ghz, 1GB RAM 60GB HD	Pentium 700Mhz, 128MB RAM (256MB if 2000), HD: 10GB	MS SQL Server 2000
33 - 64	Dual Pentium 1.5 Ghz, 1GB RAM 100GB HD	Pentium 700Mhz, 128MB RAM (256MB if 2000), HD: 10GB	MS SQL Server 2000
65 - 256	Dual Pentium 1.5 Ghz, 2GB RAM, 1 GB/workstation HD. Over 150 w/stations conside multiple servers.	Pentium 700Mhz, 128MB RAM (256MB if 2000), HD: 10GB	MS SQL Server 2000 (or Enterprise for clustered server)
256+	Contact Noetica	Pentium 700Mhz, 128MB RAM (256MB if 2000), HD: 10GB	MS SQL Server 2000 (or Enterprise for clustered server)

Synthesys™ is also cluster-friendly and fully supports both Citrix and Terminal Services.

4 Horizontal Market Segmentation

In this section, we will try to analyse the different emphases that apply to Synthesys™ when looking at it within the perspective of a specific horizontal market segment. Synthesys™ is an extremely versatile product that is suited equally well for each of these markets, but not necessarily for the same reasons.

We will therefore address each market segment by providing a very brief analysis of the nature of contact centres activities within that market, followed by an equally brief discussion on the unique USPs and ROI arguments which are valid in such an environment, and finally provide a case study in support of these arguments.

4.1 The Corporates

These are medium to large organisations spanning all industries and ranging from finance to media and from utilities to government.

4.1.1 Market Analysis

Contact centres in this segment tend to be quite large (in the hundreds if not thousands of agent positions) but the business processes are reasonably stable and not likely to change dramatically over time. Therefore, these organisations tend to deploy either systems developed in-house or some large-scale CRM or ERP implementation.

Having said that, there are always tactical applications and campaigns that the business would normally wish to implement and in a log of cases cannot due to the inflexibility of the tools being used.

Also, it is quite typical of these organisations to deploy a large number of different and usually heterogeneous applications with which call centre agents need to be familiar and which sometimes cause significant amounts of work duplication and inefficiency.

In addition, their contact centre systems are not likely to be process driven but rather free-form. This is not only inefficient and causes unnecessary long call durations, but also denies them the ability to enforce unified business processes at the micro-level (i.e. during the call) within the contact centre.

4.1.2 Synthesys positioning & ROI

In the corporate market, the ability that Synthesys™ confers of deploying campaigns rapidly and painlessly, although sometimes useful, is only of secondary importance. The main attraction here is the product's ability to act as application "glue" and provide a unified front end for the agents, whilst incorporating functionality and data from the myriad of disparate systems that they are likely to deploy at present.

Once the Synthesys™ unified front end is in place, it would also have the added bonus of allowing the business functions to enshrine the business processes that need to be policed within the contact centre at the micro-level without having to do this through training or terrorising their staff.

In terms of ROI this is an open and shut case. The cost that would be involved in order to provide these benefits without Synthesys™ is astronomical whether it is done in house or through the use of systems' integrators.

The savings in agent training, reduced call durations and general efficiency are not insignificant either. Furthermore, the benefits in terms of improved, consistent and efficient customer service, combined with higher levels of first call resolution of issues make a compelling case.

4.1.3 Case study – Time Inc.

Time Warner Publishing B.V. selected Synthesys™ to manage all inbound European customer communications in its 70 seat contact centre which provides customer service for several clients including Time Life, Time International and the National Geographic Society. Noetica's contact centre management solution - Synthesys - and the new high volume email-handling product – PopWatch - will be implemented at its call centre to provide agents with a single script-based interface to ensure efficient and consistent customer service.

Time Warner Publishing B.V. is a subsidiary of AOL Time Warner. It is full service international fulfilment bureau for magazine subscriptions and order management.

Serving an international customer base of over 5 million, Time Warner Publishing's 70 seat call centre receives over 2000 customer telephone calls and emails each day, regarding the placing of orders, changes of address, replacement items and other enquiries. Director of Support Services at Time Warner, David Jaques comments, "Regardless of the channel of communication we need to give each customer and prospect a full and timely response to their enquiry. High volumes of inbound communication and all manner of enquiries regarding the huge range of products and services offered, places overwhelming pressure on our agents."

Using the Windows-based system a telephone call or email is automatically presented to an agent in a familiar script-based format. It then guides the agent through the process of searching for and updating customer records, placing orders, cancelling subscriptions and customer service enquiries.

Using intelligent branching, the Noetica solution makes user-defined decisions based on the data captured. In the case of email it compiles an automated personalised response, whilst on a telephone call the agent is prompted with appropriate lines of questioning until the enquiry is resolved.

"We use three mainframe systems that contain customer records, product information and magazine subscription details. Using an ActiveX control developed by Noetica, we are able to read and write directly to and from the mainframe systems and present the relevant information to the agents in the script," explains Jaques.

Managing Director at Noetica, Danny Singer explains, "Now, with Noetica, using a single interface agents will be managing customer enquiries efficiently across all systems."

Noetica's system also enables the call centre manager to monitor activity and amend the scripts using its intuitive drag and drop style authoring tool. "We can immediately refine the agents' scripts based on previous interactions, or in response to new products or special offers that become available," said Jaques.

"We are able to read and write directly to and from the mainframe systems and present the relevant information to the agents in the script."

David Jaques, Director of Support Services at Time Warner

4.2 SMEs

4.2.1 Market Analysis

This is a market consisting of smaller organisations that have a need for a significant amount of customer contact within their internal contact centre. Typically, these are companies operating within specific verticals (finance, insurance, media, travel, etc.) and are specialists in their particular field but may have no deep knowledge of the finer points of running a successful contact centre.

Generally speaking these operations would be based around existing legacy systems which would normally be deployed directly on the agents screens. Following a period of operation in this mode, it becomes apparent that this is not quite enough and although these back office systems are typically perfectly fit for purpose in the back office they tend not to translate very well into to contact centre.

These are usually medium sized contact centres (anywhere between 30 and 100 agent positions) and have a significant lack of knowledge and experience with regard to contact centres as a discipline. Selling contact centre technology into this environment can be difficult as more often than not they do not understand their own needs and may end up being missold products they may not necessarily need whilst not buying the essentials.

4.2.2 Synthesys positioning & ROI

Although Synthesys™ had some remarkable successes in this market, it tends to be a more difficult sale as more often than not, the management tends to be blissfully unaware of the benefits that Synthesys™ could bring.

In a manner not dissimilar to the large corporates (see 4.1), in this market Synthesys™ would typically be integrated with back-office systems but to a lesser level of complexity and typically limited to one system. Therefore, integration times tend to be short and delivery times from order to live operation is likely to be measured in weeks rather than months.

The call blending functionality (inbound/outbound/predictive) that Synthesys™ offers tends to be very attractive for these types of clients as their agent utilisation prior to Synthesys™ tends to be quite low if at all measured. The Synthesys™ PopWatch™ inbound email module also appeals to this type of customer as emails can be used as a "filler" in the

contact centre and significant reductions in back office staff can be proven by moving this activity into the contact centre.

Finally, the sale into these organisations tends to be successful only when everybody in the organisation (at management level) are buying into the idea. It usually requires board approval and a lengthy sales cycle. Once installed though, the benefits are huge and the proven ROI is extremely fast.

4.2.3 Case study –

Customer Interaction Management software provider, Noetica, has been selected by Highway Insurance, the UK's eleventh largest motor insurer, to speed-up the processing of accident claims and the allocation of time sensitive repairers and recovery vehicles. Its 25 telephone agents at its call centre in Brentwood, Essex, will use Synthesys - Noetica's contact centre management solution - for inbound calls, to improve the quality of information recorded and enhance customer service, whilst reducing call times and the need for repeat calling.

"The nature of the claim and the type of policy held by the customer, influences the line of questioning our agents must take to ensure that the claim is processed quickly and efficiently whilst keeping the customer fully informed," explains Third Party Claims Manager at Highway Insurance, Colin Herrington.

Noetica's Synthesys is fully integrated with Highway's main administration system, GIOS (Global Insurance Open Solution). Herrington continues, "Training our operators on Synthesys takes one day, resulting in increased flexibility to react to peak call times rapidly."

Noetica developed eight bespoke ActiveX components to allow Highway Insurance to retrieve policyholder information such as details of registered drivers, the vehicle and any previous claims, from GIOS.

Synthesys' intelligent branching makes calculations on the data captured from the customer and on the data gathered from the GIOS system. Using this collated information it is able to logically determine the best route of questioning and clearly present the appropriate script in front of the agent. This removes the need for unnecessary and lengthy lines of questioning.

When the data is captured from the claimant it is then exported back into GIOS, which then validates or invalidates the claim. If the claim is approved, Synthesys searches for one of Highway's approved repairers from the GIOS system and allocates it to the claim. The whole process is instantaneous and is completed whilst the claimant is still on the telephone.

Managing Director of Noetica, Danny Singer comments, "By working with Highway Insurance's operators to understand the detailed processes and customer requirements Noetica has been able to rapidly deploy a system that effectively makes operators of varying experience expert, capable of handling calls more quickly and effectively."

"We approached Noetica to provide a user-friendly system to allow our agents to gather all necessary customer information at the first call; improving call resolution, which has increased call centre productivity."

Colin Herrington – Third Party Claims Manager – Highway Insurance

4.3 Contact Centre Outsourcers

4.3.1 Market Analysis

This is the market that Synthesys™ originates from. Historically, the product came into existence as a bespoke platform for a contact centre outsourcer. Although the software has, of course, evolved dramatically over the years its origins give it a very strong position in this market.

Contact centre outsourcers require agility above all else. New clients require new applications at very short notice, while existing clients are constantly changing their requirements. Some outsourcers need to employ large numbers of software developers simply in order to be able to develop and deploy agent applications at short notice.

Beyond agility, outsourcers require an open architecture in order to be able to interface easily to their customers systems and databases. Furthermore, they need to deliver data collected in the contact centre to their customers in a timely fashion and in a multitude of formats and using different methods.

The bad news about this market is that it very rarely invests in technology for the long term. Most outsourcers live simply "hand to mouth" in the sense that they would only spend on technology if the cost can be directly passed on to their customers. Therefore, the sales process into these types of companies can be lengthy, tortuous and often frustrating as their purchase would almost always be directly linked to the acquisition of a new customer.

The size of these operations tends to vary from a large number of smallish companies (10 to 30 agents) to a handful of extremely large ones (many thousands of seats). Some of the larger outsourcers have branched out to off-shore locations (mainly India) in the last few years but this trend appears to have more or less stopped now.

4.3.2 Synthesys positioning & ROI

Well over 50% of Noetica's customer base is in this market segment. This is hardly surprising considering the product's origins. The ROI case is extremely powerful in an outsourced environment on three fronts.

First of all, agent training is typically reduced through the use of Synthesys and as in the outsourced sector tends to suffer from high levels of staff turnover (typically between 20% and 40% per annum) this generates huge cost savings. Combining this with a significantly reduced IT requirement and

the reduction in the need for back office clerical staff (due to the automation introduced by Synthesys) this is a compelling ROI case in its own right.

Secondly, in inbound environments average call durations can be substantially reduced due to the implementation of business processes within Synthesys applications. This translates onto higher levels of service with the same number of agents or the same level of service with reduced staff. In either case this generates savings that can deliver ROI in under 6 months.

Finally, in a sales environment the increase in the number of successful outbound connections due to the Synthesys™ advanced outbound module in combination with the increased value of each sale through correctly enforced cross-selling and up-selling through Synthesys™ provide a third excellent ROI case.

Most importantly in this market, Synthesys™ is essentially about agility. It's main attraction here is the speed with which new campaigns can be up and running, in combination with the ability to execute pilot projects on behalf of their prospective customers rapidly, successfully and extremely cheaply.

4.3.3   Case study

Noetica, provider of easy-to-use call centre and CRM software solutions, has announced that one of the UK's leading outsourced contact centre providers, 2Touch has purchased Noetica's Synthesys call centre technology to manage customer calls in its new state-of-the-art facility in Sunderland.

2Touch – a business contact centre and marketing fulfilment company – opened its new customer contact centre in Sunderland's Doxford International Technology Park in January 2001, and is part of the Acxiom corporation, a global leader in customer data integration. Noetica's Synthesys solution was in place in just four days, with the first live customer campaign starting very shortly after that point. The solution has continually proved to be a big success on campaigns for an ever-growing range of clients across a number of vertical markets.

Synthesys is being used by 2Touch as the front-end solution to guide agents through conversations with their clients' customers. Synthesys is designed for non-technical staff, so 2Touch call

centre management have complete control of the call centre. The call centre management team design and amend their own callflows (scripts) and the technical team have even been able to add extra functionality to the product themselves due to Synthesys' use of open standards, based on Microsoft ActiveX.

Having already implemented multiple campaigns, 2Touch plans to expand operations on an ongoing basis to cement its position as one of the largest business contact centres in the country.

2Touch IT Director, Richard Robson, commented; "Noetica's callflow scripting tools have enabled us to save a lot of time and energy in not only setting up new call centre scripts, but making amendments to existing ones. With over 200 agent seats utilising Noetica's software, the product stability has proven to be excellent so far, in what is a high-pressure environment. It has also been very well received by end users, call centre managers and technicians alike".

"It's great to be involved in the new 2Touch operation in Sunderland," added Elliot Littlechild, Operations Director of Noetica. "Using Synthesys, 2Touch have been able to quickly set up new client campaigns and rapidly scale up the number of seats when required."

"Noetica's Synthesys solution was installed in just four days"

4.4 Telesales / Telemarketing

4.4.1 Market Analysis

Telesales & telemarketing operations can exist both as in-house activities and outsourcing or bureau type entities. These are almost always outbound operations, either B2B or B2C or a combination of the two. The distinguishing factor of these types of contact centre is the fact that they tend to focus on "cold calling" using lists of prospects with an offering of a product or service.

This market has had a great deal of bad press lately due to their misuse of aggressive techniques such as uncontrolled predictive dialling (resulting in an unreasonable number of "silent" or "nuisance" calls) and the commission based pay structure which tended to incentivise agents to use "hard selling" techniques, particularly on the vulnerable.

Despite the negative image, this is a relatively thriving market and most operators are quite responsible and self-disciplined. This market is particularly reliant on technology in order to streamline the complexities of running numerous different campaigns efficiently and consistently.

4.4.2 Synthesys positioning & ROI

Synthesys™ is particularly well suited to this market. The product provides extensive functionality for the creation and management of outbound campaigns. Furthermore, the unique Synthesys™ predictive dialler implements patented technology (Patent number: GB2385487), that guarantees lower levels of "silent" or "nuisance" calls without compromising the performance of the dialler.

Synthesys™ also implements the most sophisticated "call recycling" mechanism on the market that guarantees that dialling lists are used to the maximum by ensuring that failed calls (busy, no answer, answering machine, etc.) are "recycled" and further attempts are made according to extremely advanced strategy that can be customised using a unique graphical user interface.

Furthermore, the way in which agent applications are generated and easily deployed within Synthesys ensures that best selling practices can be incorporated into the applications, thus raising the standard of salesmanship across the contact centre.

Finally, cross-selling and up-selling techniques can be incorporated into these applications easily and consistently so that the value of each call can be maximised. Altogether, Synthesys™ is indeed the ideal tool for this market.

4.4.3 Case study –Warranty Holdings Ltd.
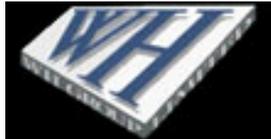
Founded in the UK in 1974, Hertfordshire based Warranty Holdings supplies a wide range of insurance services to the motor industry. Since 1995 Warranty Holdings has taken on increasing amounts of both inbound and outbound calls as it has developed warranty relationships with a healthy spread of motor manufacturers. It has realised that the key to its success is how it can tailor different warranties to different customer prospects.

Warranty Holdings works in partnership with some 14 motor manufacturers, around one in three of the top 100 UK dealer groups, and over 12,000 independent motor retailers. Priding itself on being one of the motor industry's most innovative provider of services such as warranty programmes and insurance products, it is imperative for Warranty Holdings to keep on top of the latest technology. Warranty Holdings identified its call centre as critical for servicing many customers and sought out the best technology to deliver optimum service levels.

The Goal

Once Warranty Holdings sat down to discuss strategies to help them remain ahead of the competition and what they wanted to achieve, one particular target came to the fore. "Our main goal is to increase our renewal rate by 50%," explained Director of Direct Marketing Mark Coles. "Renewals is a market that historically we had difficulty with. It is important to know exactly what the customer wants and, because of this, a lot of information about them and their preferences needs to be gathered. All this is normally time consuming and expensive."

The solution

Coles and his team approached Noetica, a leading developer of innovative software solutions for call centres. Noetica's solution, Synthesys, has been designed specifically to enable non-technical staff to have complete control of the call centre. Synthesys key features include customer relationship

management (CRM); callflow/script designing, service call centre management and support; outbound campaign management; web compatibility and computer telephony integration (CTI).

Coles and his team looked at different call centre software packages [before deciding on Synthesys. "We particularly liked the fact that Synthesys' callflows could be amended and updated so quickly, which reduces downtime on a campaign and helps us to remain one step ahead of the competition," explained Coles.

Synthesys allows Warranty Holdings to effectively gather the right information about its customers. Synthesys populates the callflow (script) with personalised data throughout the conversation, using current and historical data, thus negating the need for information to be re-entered. This clever use of the right data to personalise the conversation allows Warranty Holdings to incorporate cross-sell and up-sell opportunities by better understanding what the customer wants, and therefore offering them an appropriate and desirable product or service.

Through Synthesys, Warranty Holdings is able to build and amend its callflows quickly and easily, fine tuning them to better meet the needs of the customer. Consequently Warranty Holdings has been able to add value and increase its competitiveness by delivering the right warranty to the right customer; whilst also exploiting cross and up sell opportunities .This can be by offering road-side recovery services from Green Flag, or by increasing the duration of the customer's warranty cover. These opportunities are always exploited during the conversation between the agent and the customer, by being built into the callflow.

The conversation between the agent and the customer can be complex, with lots of questions and many possible outcomes. It is extremely beneficial that the agents don't need to learn each of the thousands of different warranties available and the specific criteria for each one. They can rely on Synthesys to identify the product most suited to the customers' requirements.

Automating the call

"It has become apparent how essential Synthesys is; we simply needed this type of technology in the company," said Coles. "Where the call centre does not yet utilise Synthesys you can really tell the difference in their call duration and fulfilment stats."

"Its not simply the fact that we have almost doubled the amount of calls that we have been able to make," continued Coles. "But more the fact that

through using Synthesys we have became more effective in closing sales and exploiting cross and up sale opportunities."

The agent's friend

The agents' training time has reduced dramatically since Noetica's Synthesys has been implemented – now taking hours, instead of weeks, for new agents to start taking live calls. The call flow itself is modelled and refined around the best sales persons calls, not only to eliminate the risk of an agent sounding inexperienced or nervous on the call, but also to ensure all sales opportunities are exploited.

"Synthesys is the most advanced solution I have used during my time in the call centre industry. One of the most impressive features of Synthesys for us is the ability to change the callflow (scripts) quickly and easily," said Coles. "We can give a new Callflow a trial run parallel to an existing one and it can be amended in minutes and deployed to the agents in real time."

Warranty Holdings no longer need agents with specific industry or sales experience as they feel confident in making calls very quickly due to Synthesys' intelligent conversation scripting. Many agents especially like the web-based help screens and links to relevant pages, which allow the agent to find additional information and complete the call effectively.

"Synthesys has redefined the role of the agents," said Coles. "We no longer need to train them on product knowledge due to Synthesys' clear, consistent and intuitive presentation of information. The agents have the ability to link into relevant documents and websites within a second of clicking a link."

Revving Up

It was the functionality of the callflows that helped seal a recent deal with CarChase (www.carchase.co.uk), CarChase were very impressed with the benefits Synthesys has delivered to Warranty Holdings, especially the increase in sales revenue, so as a consequence asked Warranty to manage the expected 5,000 calls a week.

CarChase is re-engineering how cars are sold privately with its unique car sales process. Potential car sellers can purchase a pack from newsagents containing a car sellers guide and a disposable camera. They are then directed to take pictures of their car, send in the film, and ring the call centre to place the text for the advert; this is where the Synthesys solution kicks in.

"Through a link with the vehicle validations bureau and with Synthesys' call-flows we have been able to astound customers by just how quickly we can gather the relevant information required for the advert. Often we will know more about their car than they do!" explains Darren Vogel, Commercial Director, CarChase.

The importance of staying open

Synthesys has been integrated with a variety of existing systems including an HPI link to the vehicle validations bureau database, an address look-up and a bank sort code look-up.

"CarChase saw how we were utilising Noetica's Synthesys technology and asked if we could manage their calls too," explained Warranty Holdings' Mark Coles. "Now, CarChase is exploiting leading edge technology to offer its customers a sophisticated solution."

Confidence in the future

"Since implementing Synthesys we have been able to increase our renewal sales and better utilise cross and up-sell opportunities by personalising the conversation to the customers, we have been able to increase our sales revenue," concluded Coles. "It has empowered the agents and given them more confidence in what they are saying throughout the call. Working with CarChase has further reinforced the importance of Synthesys to increase sales revenues and support an integrated marketing campaign".

Keith Symondson, Commercial Director of Noetica, has been consistently impressed with how Warranty Holdings has used Synthesys. " It's great to see the product's unique branching facility being used to personalise the conversation to the customer's exact needs. This also means that the agents are automatically presented with possible cross-sell and up-sell opportunities throughout the conversation."

4.5 Government

4.5.1 Market Analysis

The public sector is a market like no other. Although there are significant budgets dedicated to CRM/CIM and customer contact as part of various recent and not so recent government initiatives, there has been extremely slow progress in the adoption of new technology.

The little that is in place has been essentially monopolised by software providers that focus almost exclusively on this market and have a long track record in supplying systems to local and central government.

The reason for this state of affairs lies mainly in the rampant conformism that seems to be typical of public sector IT and the fact that selling to government (local or central) requires compliance with so much red tape and so many regulatory measures that take this market almost completely out of the reach of relatively small cutting edge company such as Noetica.

Having said this, the public sector and in particular local government is particularly well suited as a market for Synthesys™. This is essentially due to the fact that local councils are probably the most archetypal of creators of "islands of technology" that are totally oblivious of each other and have no viable means of communicating with each other.

In this sense, there is normally no central view of the citizen as a customer and therefore adopting a CRM strategy would suggest ripping out most of the existing software infrastructure and replacing it with a new CRM system. Indeed, some authorities have attempted this at great cost and to no great effect.

4.5.2 Synthesys positioning & ROI

The CIM solution to this problem that Synthesys™ offers is ideal as it does not propose the wholesale abandonment of existing systems but simply acts as a unifying front end at the point of contact with the citizen (customer). In this sense, local (and to a certain degree central) government organisations can be viewed in a manner similar to the large corporates (see 4.1) that they are in their essence.

As such, Synthesys™ can deliver the ideal of the "one stop shop" that is so coveted by local authorities in a gradual fashion (by bringing more and more business processes into a central contact centre) by progressively integrating

with the myriad of different specialised back office and legacy systems only to the degree that is required by the contact centre itself.

Furthermore, first time resolution of contacts can be gradually improved through the refinement of business processes implemented within Synthesys™ as more and more of the exceptions that would normally require back office attention can be incorporated within the contact centre processes.

The killer argument though is the cost. All this can be achieved at a minute fraction of the cost that the traditional CRM "big bang" approach would require. In the context of "best value" propositions this is a compelling argument.

It can be delivered dramatically quicker too, and considering the speed at which government organisations have been moving so far in this area and the various Government deadlines and targets that seem to come and go, this is a message that cannot be ignored.

4.5.3 Case study – London Borough of Islington

Islington Council has launched a call centre for its Housing Services department using Noetica's Synthesys call centre software. The dedicated, 40 seat call centre has been set up to provide a repair order line for the tenants of Islington's 33,500 properties - anything from replacing a washer for a leaking tap to re-plastering a ceiling. It is intended to help the council meet its Best Value efficiency targets; in the near future, agents will also be making outbound calls to survey tenants about quality of service.

The call centre is to be headed up by two team leaders managing both full time and part time staff. Andy Jennings said, "Islington Housing Services required a dedicated call centre to replace 11 help desks scattered across the borough and provide a consistent service for handling tenants property repair enquiries and orders.

"In accordance with policy of seeking Best Value, six software providers were asked to pitch for the call centre software contract. The main criteria we set for the software was an ability to take control of the call, to prompt agents, a degree of flexibility and an ability to change callflows when necessary. Noetica won the contract because Synthesys met all the key criteria within the constraints of the council's budget."

"The main criteria we set for the software was an ability to take control of the call, to prompt agents, a degree of flexibility and an ability to change callflows when necessary."

Islington has invested in a number of Synthesys software modules including Callflow, which supports the conversation between call centre agent and customer using a flexible script. Callflow will guide the council's call centre staff by prompting questions, will provide necessary information and will capture data about the tenant and his/her requirements. The Call Tracker module is designed for use in service call centres. At Islington, Call Tracker will prompt the agents with appropriate follow-up actions required to resolve the call and will provide the agent with a status overview of outstanding repair calls.

Finally, the CRM capabilities of Synthesys will provide Islington call centre agents with the ability to access all data held on a caller thus providing a complete tenant record, enabling the callflow to be personalised and creating a better relationship between the council and its electorate.

The callflow is personalised, creating a better relationship between the council and its electorate.

Noetica's Synthesys has been integrated with the Council's existing OHMS (Open Housing Management System) enabling the Housing Services call centre agents to take repair order calls from tenants and send the orders direct to the Council's contractor who will then complete the repairs. This will speed up the call resolution process.

The integration of Synthesys and OHMS enables the call centre agents to access both customer details and OHMS information via one system, ensuring that accurate data is captured in the initial call. It also allows a full audit trail to take place. Previously, a separate call had to be made to
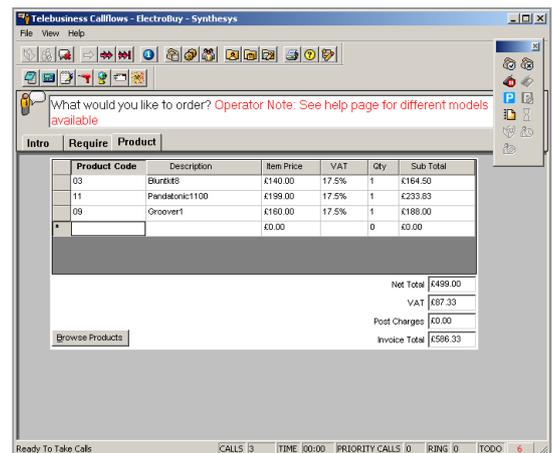
Synthesys presents information to agents in a clear and consistent format

the contractor outlining the repair requirements and tenant details, thus delaying the repair process.

The use of a single, integrated system will speed up the call resolution process.

Furthermore, since Islington's agents will only be required to learn how to use Synthesys, a significant reduction in agent training time can be achieved, thus reducing overall costs for the council.

"We chose Noetica's Synthesys because it met all of the council's key criteria and offered the most flexibility in terms of adapting callflows. In addition, it was the most cost-effective product and integrated easily with existing software".

Andy Jennings, Director of Housing

4.6 Service Contact Centres

4.6.1 Market Analysis

Service contact centres form a particular niche market within the contact centre industry. These are mainly inbound operations where the conclusion of an initial call/email/etc. would typically trigger a sequence of actions on behalf of the contact centre agent(s) over a period of time (minutes, hours, days, etc.) until such issues that were raised during the initial contact are resolved.

Examples of these types of contact centres would be:
- Emergency callouts for doctors, plumbers, glaziers, etc.
- Helpdesk operations of various types.
- Local authority services.
- Message taking and handling.
- Emergency services.
- Taxi or ambulance despatch.

This is a very specialised market usually operating 24 hours per day, using a variety of communication mechanisms and devices (such as pagers, SMS, automatic faxing, hand held devices and so on) and it requires very specific software tools. In some cases, due to it's "life and death" nature it requires very strict auditing and recording of all actions taken by agents as well as alarms and various triggers to guarantee SLAs.

These are typically small contact centres (5 to 30 agents is the norm) and almost always lacking resources. It is a difficult market that very often requires complex and unusual software solutions but does not necessarily have the wherewithal to pay for them.

On the positive side, this is a relatively large market with numerous relatively informal contact centres and there are very few software systems targeting this niche.

4.6.2 Synthesys positioning & ROI

Synthesys™ is extremely well positioned in this niche market, with many reference sites and live implementations. The product has it's origins in this market and Noetica staff understand these type of requirements extremely well.

Synthesys™ includes a specialised module (the Call Tracker) that is aimed directly at these types of contact centres. The product also provides ready-made gateways to most of the communication devices that these types of operations require (such as paging, SMS, mobile devices, etc.).

The Synthesys™ Call Tracker works in conjunction with the rest of the system to provide an offering that is unique for this market. This is an important USP as it provides unparalleled functionality.

4.6.3 Case study

Yell's business mission

Yell's mission is to become the top business information provider connecting buyers and sellers in the UK, by providing value to its customers and users by generating business leads, information and purchasing solutions. To meet the changing demands of customers and users, Yell needs to take advantage of new technologies and communication methods.

Not everyone is familiar with Service Call, Yell's customer contact service that delivers a message answering and call out facility for companies wishing to provide a 24-hour, 365 day, contact point for their customers. Based in Yell's 200-seat call centre, Service Call receives calls on behalf of more than 110 clients round the clock, every day of the year.

Embracing technology

Andy Mason, Technical Support Manager, Service Call, was certain of the following: "We wanted to move away from our old predominantly paper based system and embrace the technology that was available. I wanted to increase the efficiency of the call centre by 30% through reducing man hours required, thus reducing staff overheads so that we could pass on these benefits to our customers."

Service Call historically used a bespoke call centre package to manage the calls, but soon realised that because of it's inflexibility and difficulty in

scaling up the solution it would be best to move to an off-the-shelf package with open standards and development capabilities that could be tailored to its needs. This is when Service Call called in Noetica.

Noetica is a leading developer of innovative software solutions for successful management of any call centre. Noetica's solution, Synthesys, has been specifically designed to give non-technical staff complete control of the call centre. Synthesys key features include customer relationship management (CRM); callflow/script designing, service call centre management and support; outbound campaign management; web compatibility and computer telephony integration (CTI).

Call out service

Service Call's customer types are diverse, but one thing that is constant, is their desire for optimum customer service. "One of the reasons we chose Noetica's Synthesys was because of its intelligent CallTracker Module. A key business functions of Service Call is a call out service that we operate on behalf of our clients," explained Mason. "What we mean by a call out service is how we handle external calls and re-route them to appropriate companies or individuals, one example being a Supermarket fridge repair service. When we take the call, Synthesys' CallTracker module checks the engineers' rota, establishes which engineers are available in the appropriate area and then contacts them. We found very few software products that had this tracker facility of call completion as part of the package."

"The operation is very complex, Synthesys simplifies and handles the escalation procedures of the enquiry by automatically flagging up if an engineer hasn't responded to a request within a specified time, then Synthesys moves on to the next choice of contact method for the most appropriate person, and continues to do so, until the query is resolved," added Mason.

Rapid and easy Callflow scripting

With Service Call managing callflows for over a 100 different clients and over 80 of the callflows being updated weekly, Service Call needed to ensure the software they chose would allow non-IT staff to build and amend callflows quickly and easily, "With Synthesys' easy to use callflow writing facility, complex scripts can be created and amended quickly. This is a key part of the software," explained Mason.

How to handle 26,000 contact names

Service call has recently started running an additional outbound campaign to generate additional revenue, which has only been possible due to the flexibility Synthesys has built in. Mason and his team begun an the outbound call campaign calling 26,000 contacts on behalf of Internet office equipment trader, Group Trade, targeted at getting small companies to sign up to the Group Trade website. "When there is such a large amount of contacts it is imperative to be able to track and report the calls made, it shows just how adaptable Synthesys is for inbound and these outbound calls," said Mason. "The callflow scripting capabilities of the outbound calls using Synthesys are highly impressive, with our agents being able to control the conversation from start to finish, and exploiting cross and up sell opportunities wherever possible."

Call Centre productivity

"Synthesys has dramatically improved the rate of productivity at work here in a number of ways. We can now set up a client in just half a day with the right screens and callflow/script automatically appearing in front of the agent when a call is received," said Mason. "Agents can work more efficiently, now that they have all the information that they need to handle the calls on their desktop, consequently each agent handles a greater number of calls."

People prefer a human voice

Service Call acts as a message reception for many clients, where agents take out-of-hours or diverted calls. The system automatically passes on the messages and the agent simply uses the script onscreen to gather the correct information and answer the caller's questions.

The message reception service of Service Call is proving to be a big success with Mason hoping to expand it later this year to use Synthesys on all 200 seats. "The simple truth is that people prefer a human voice, 80% of calls made to an answer machine hang up!" explained Mason. "This is something that our 110 clients are aware of and with Synthesys' assistance we can ensure that they never miss a potential sale."

Benefits

"Synthesys gives the information our staff need to handle a call, when they need it, via their desktop PCs. We have eliminated any reliance on physical documents, and the reduction in manual data entry has drastically reduced any room for errors," concluded Mason. "Synthesys has been a major factor in us being able to reach our goal of increasing efficiency by 30%"

Constant Support

"Finally, our installation of Synthesys has been reinforced by the development work that Noetica has done to accommodate our requirements; probably as much as 20% of the total product has been tailored to our needs. Noetica has been extremely responsive and more than willing to take on board our requests," said Mason. "In the early days the help desk was very useful in showing us how to use the information logs and pass on certain reports to our clients."

Appendix I: A light-hearted look at CIM versus CRM

Or

Is Old the new New?

Let's face it. The end of the last millennium is most likely to be remembered as the time when the IT industry had finally taken leave of its senses and went headlong into full-blown lunacy. Does anyone remember the Y2K hysteria?

Perfectly sensible and highly intelligent people who would otherwise display no symptoms of mental disorder would corner you at parties and seminars and whisper conspiratorially in your ear that the end was nigh and civilisation was about to come to an abrupt end. Cash machines were preparing to attack small children and airliners would fall out of the sky. Never mind Al-Qaida, your PC will get you first.

Cobol programmers were being plucked out of their retirement homes and the corridors of IT departments across the country were abuzz with the screeching of Zimmer frames. The ones that could not afford to hire any octogenarians with an LSD habit, were busy throwing away all the software they spent many years getting just about right and replacing it with new systems that although they knew little about were "guaranteed" to be Y2K safe.

The dot-com phenomenon was raging on at just about the same time. This is when it became unfashionable to show a profit and we were being told that any company that did not become a dot-com in the next five minutes would be toast by next week.

Totally sober chief executives were competing with each other on who can spend more money on their websites and every teenager had a business plan under his pillow. Board directors of listed public companies were busy swapping acne remedies as they dodged beanbags while riding scooters through their new age offices.

At about the same time, as the world was still in the throes of what has now been clearly confirmed as a spell of corporate temporary insanity, a new acronym was being unleashed on an unsuspecting and frankly confused IT market. CRM was the thing everyone had to have whether they wanted it or not and regardless of whether they had the foggiest about what it meant.

What it actually meant was that countless CRM experts appeared overnight out of nowhere. Although most of them had wildly differing ideas about what the term actually stood for, they all agreed on one thing: everybody should get some and the sooner the better.

Generally speaking, most experts would probably subscribe to a fairly loose definition of the term, along the following lines: a 360º view of the customer, available across the enterprise and delivered consistently via all channels of communication. A noble goal indeed.

Most experts also seemed to agree that the best thing about this was that your customers would get that nice, warm and fuzzy feeling that they are being treated by your organisation as a unique individual in a personalised fashion and therefore would come back again and again. The dream of the large faceless corporation acting like your local corner shop had emerged.

Whatever your point of view regarding CRM, very few people can argue with the fact that as ideas go, it is a damn good one. Allowing all your customer facing staff to have a complete view of each one of your customers and be able to use all of this information in order to treat them well is by all accounts something that every enterprise should aspire to.

The problem starts when one tries to work out what is the best route to this CRM heaven. As much as CRM was always presented as a philosophy and a paradigm shift in the way in which organisations communicate with their customers, the underlying engine for the promotion of these ideals came mainly from software vendors that saw an opportunity for rich pickings in a confused and overheated market that was already awash with jargon and hype.

In order for such organisations to be able to capitalise on the CRM ideal, a subtle slight of hand and marketing hocus-pocus was required. In doing this, the vendors of so-called CRM systems needed to borrow extensively from the dubious techniques employed by the now too familiar peddlers of penis enlargement potions and elixirs of eternal youth who seem to plague the Internet in larger and larger numbers these days.

The trick is a very simple one and probably one of the oldest in the book. It goes a little bit like this. First of all, create a strong desire within your prospective target market for a hypothetical and sometimes totally unrealistic dream. Think about 'before and after' photos of the obscenely obese or follically challenged that were magically transformed into fashion models and you'll get the idea.

In the CRM case, this was not too difficult a task. As we saw before, the CRM dream is a noble and profitable one. On top of all that, if you happened to be concerned about Y2K or the Web at the time, this would solve all that as well. Your customers would flock back for more and your reputation for legendary customer service would bring new ones in. Your payroll would be reduced, because most of your labour intensive back office tasks would be automated and your front office would be so much more efficient. And all your hair would grow back too.

So far so good. There isn't anything intrinsically wrong with all of these statements (minus the last one, perhaps). But this is where the slight of hand occurs. The big question now is: How do I get there? "How am I to transform my organisation into a CRM Xanadu?" I hear you ask eagerly. The answer, we were told was to buy a so-called "CRM system" from one of the big CRM vendors and you would be nearly there. The magic word was "nearly".

After all, why shouldn't you believe that? Particularly if you really want to believe it in the first place. So, you part with a large sum of money (in the millions usually) and a few days later, a nice packet containing a set of shiny CDs and a set of thick manuals drops through your letterbox. You repair furtively to your office, shut all the blinds and proceed to unwrap your magic CRM package.

Oh dear! If you have ever bought flat pack furniture you will know the feeling. Bits of wood of various shapes and sizes drop out of the box. Hundreds of strange looking nails, screws and unidentified objects scatter on the floor. Your miracle CRM solution turns out to be nothing but a bunch of components that need to be cut to size, positioned and assembled and all that without the benefit of an instruction sheet in Swedish.

So, buying an expensive CRM system is just the beginning. You will need to then employ an army of IT professionals to use the tools provided in order to produce what is commonly referred to as a CRM implementation. This is not a small thing. You will need to map all of your business processes and then somehow shoehorn them into the way that the CRM system works. You will also need to migrate all of your live data into this system. New user interfaces will need to be created and customised. The list is endless.

What is the difference then between doing this and developing a new system from scratch? The answer is: not much. Although to a varying degree the CRM systems on the market provide good and useful selections of tools that shorten the implementation process, the down side is that you will need to adapt your organisation to work using a generic solution, rather than the

custom-made one that you would otherwise be able to create if you were to develop from scratch.

And another thing. Imagine a country that one day decides to change their traffic laws so that vehicles drive on the opposite side of the road but would like to implement it gradually, so that it applies only for lorries in the first year. Perhaps not such a good idea, when you think about it. The same applies to CRM implementations. It's usually an all or nothing situation.

What this means is that you will have to wait until the whole thing is finished before you see any benefits. This usually takes years. In the meantime, your existing systems will suffer, since most of your IT resources will be concentrated on the fantastic new CRM project.

So is there no way of achieving the CRM dream in a cost effective and less dangerous way then? The surprising answer to this question is that there is a blindingly obvious way of achieving almost all of the goals that CRM implies at a fraction of the cost and without seriously damaging the health of your organisation. The answer is another similar sounding acronym: CIM.

CIM stands for Customer Interaction Management. It describes the mechanisms used by organisations to communicate with their customers. This includes call centres, web self-service and self-help, email communications, letters, faxes, SMS and any other means of communication.

CIM systems, under various other names, have been with us for a very long time. They certainly pre-date CRM systems by more than a decade and have the major advantage of not attempting to replace your existing back office systems but utilise them better and at the same time present a coherent, elegant and modern look to your customer facing activities.

The great thing about CIM systems is that they actually exist. As opposed to CRM toolkits, good CIM systems require very little IT expertise to set up and deploy quickly and gradually. The best systems also provide excellent facilities for interfacing with your existing IT infrastructure and providing your customer facing staff with all the information they need at the right moment and in the right format.

In the end, the CRM dream is all about how you interact with your customers. This does not mean that your internal systems have to change necessarily, but that you are able to use them efficiently, in order to treat your customers well. Making these existing systems work harder and longer means that you will achieve real savings and that your route to CRM is not via one giant leap of faith but a gradual process of improvement.

Wrapping your existing systems in a layer of CIM also means that you avoid the danger of acute corporate amnesia. Your existing systems are probably the distillation of many years of development and refinement. Replacing everything with a new CRM system is bound to omit quite a few of these refinements that make your life easier, but you tend to forget they're there.

A good CIM system will allow you to change the way in which you manage your customer interaction at very short notice and with minimal IT intervention. This is because most of these systems were originally aimed at the call centre world where rapid change is of the essence. Graphical rapid application development tools are usually included and provide most of your non-technical staff with a quick route to change. Try and do that on a CRM implementation and you'll see what I mean.

Finally, the costs. An excellent CIM system, covering all aspects of your customer interaction and interfaced fully to your back office systems is still a fraction of the cost of a CRM toolkit. This is before you take into account the cost of the actual CRM implementation. So why hasn't everyone gone down this route by now?

There are many answers to this question. First of all, the phenomenal rise of CRM vendors happened during the end of millennium IT binge, when crazy ideas were at a premium. We are just beginning to recover from that hangover. During that time of unrealistic valuations and multi-million pound contracts, providers of large-scale CRM systems managed to put in place well-oiled marketing machines that generated a level of noise within which CIM vendors could not make themselves heard.

In addition, CRM implementations proved extremely lucrative for a great variety of organisations that managed to provide a wide range of professional services ranging from consultancy to implementation on the back of these large scale projects. These organisations helped to perpetrate the myth of the large-scale CRM solution.

Let's not forget that a significant number of CRM projects were successful. An organisation that is prepared to commit itself to large-scale investments in software and provide the resources over a number of years of implementation will eventually end up with a working system that does deliver the goods.

A lot of faith is required on behalf of the management and to a certain degree, the vast initial investment in software in many cases forces the hand of the board to continue to invest further simply in order to justify that initial spend.

Finally, CIM systems have come a long way since their early days. They suffered and to a certain degree still suffer from an image problem. Many possible adopters of this technology still associate it with rudimentary things like call scripting, computer telephony integration or diallers. This is no longer the case.

Although CIM has its roots firmly in the contact centre, the web and other means of communication, the industry has moved on to provide a credible and cost effective alternative to the costly and in many cases over-bloated CRM systems when used in conjunction with existing enterprise systems.

Your legacy systems may be old and they may not be pretty, but the information they contain and the accumulation of valuable business knowledge that they include does not age. The possibility of making them work harder in conjunction with a modern CIM solution raises an almost inevitable question: "Is Old the new New?".