



TeleChannel Design Considerations

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For more information:

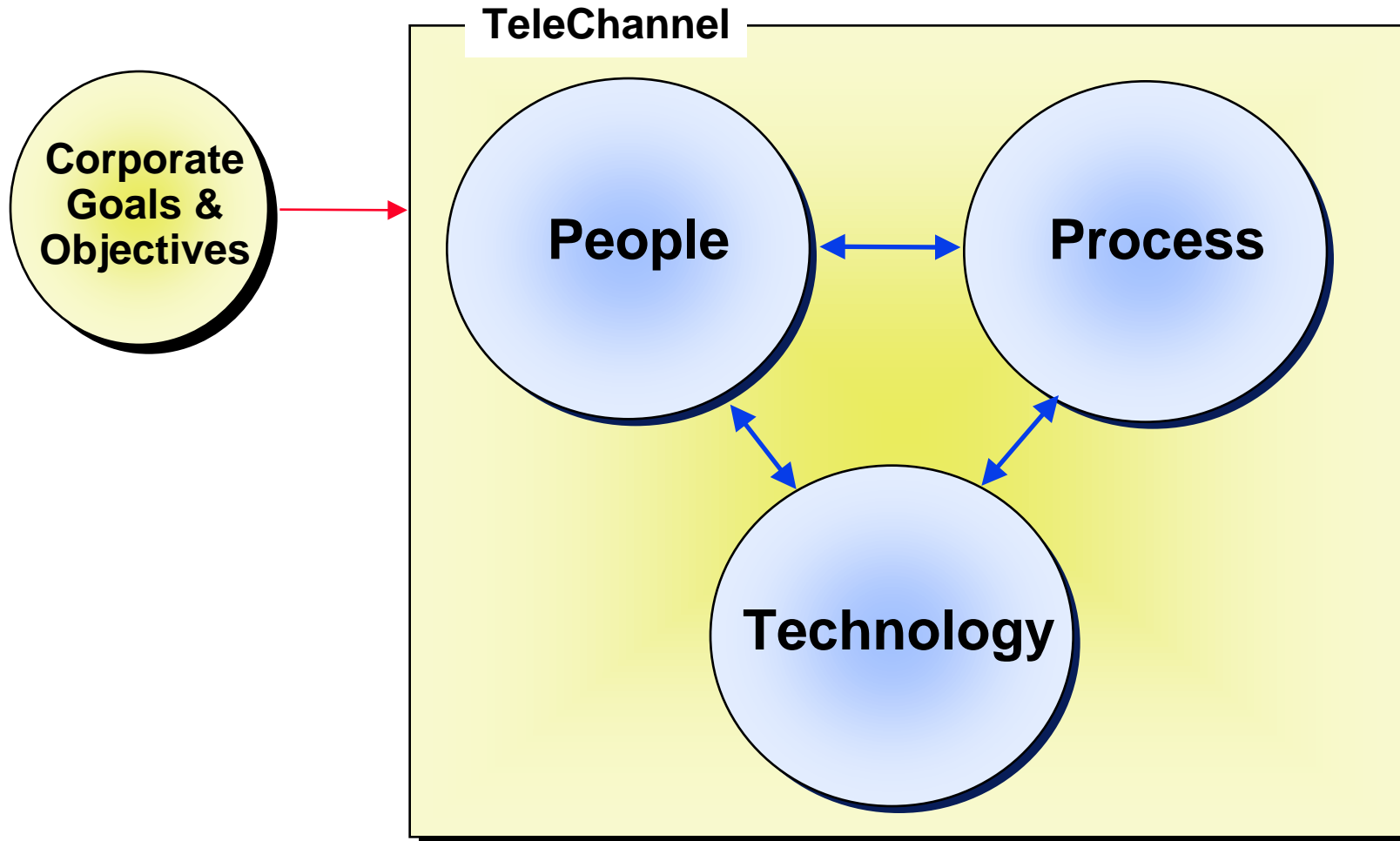
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TeleChannel Elements



Successful TeleChannel Design

(“The Devil is in the Details”)

Goals and Objectives

TeleChannel -> TeleCenter

What does the TeleChannel/TeleCenter do?

Why does the TeleChannel/TeleCenter do it?

How does the TeleChannel TeleCenter do it?

When does the TeleChannel/TeleCenter do it?

Who actual does it?

Who's responsible?

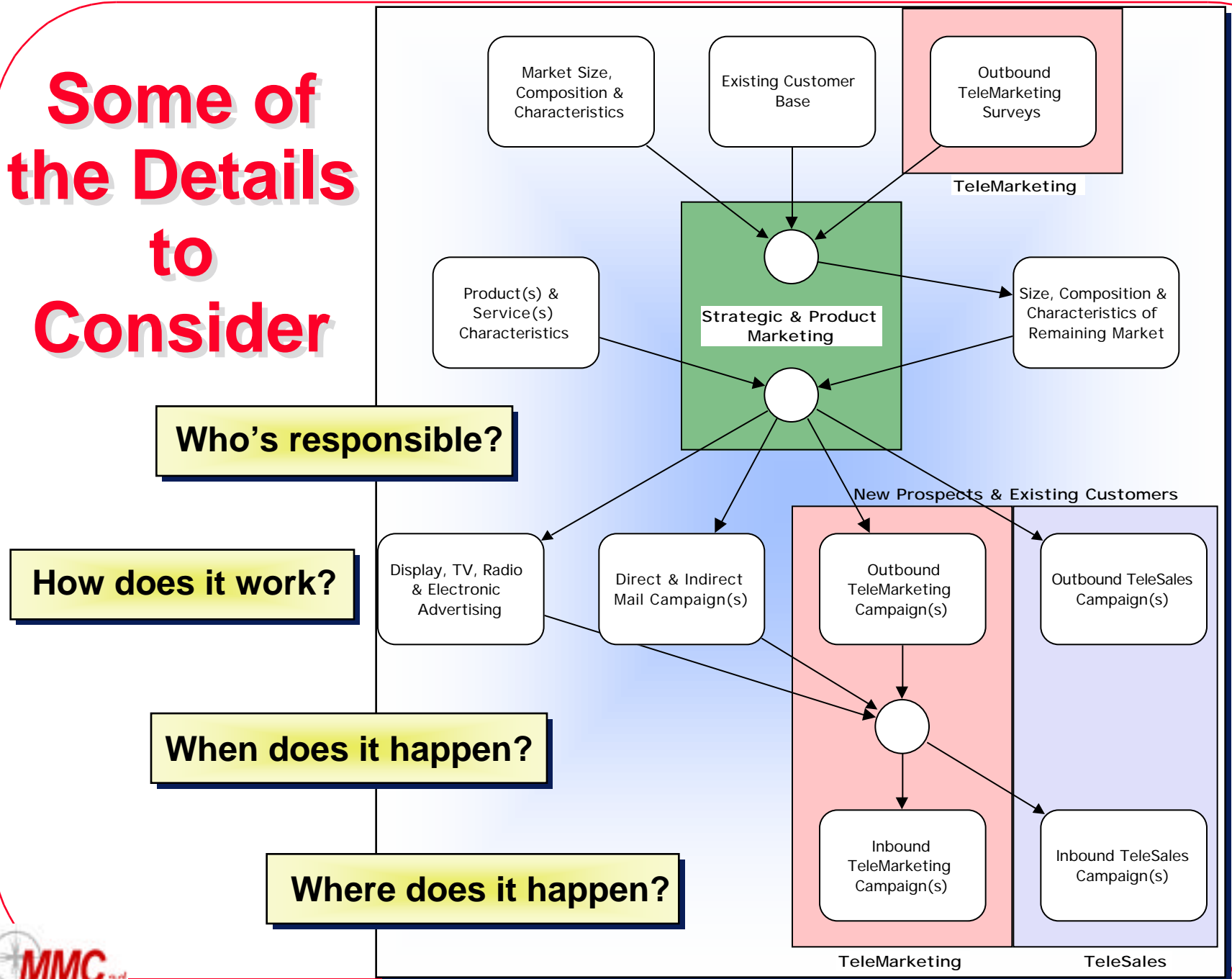
Who are we
interfacing with?

Why are we
interfacing with
them?

How are we
interfacing with
them?

When are we
interfacing with
them?

Some of the Details to Consider



TeleChannel Components

Strategic Marketing

Product Marketing

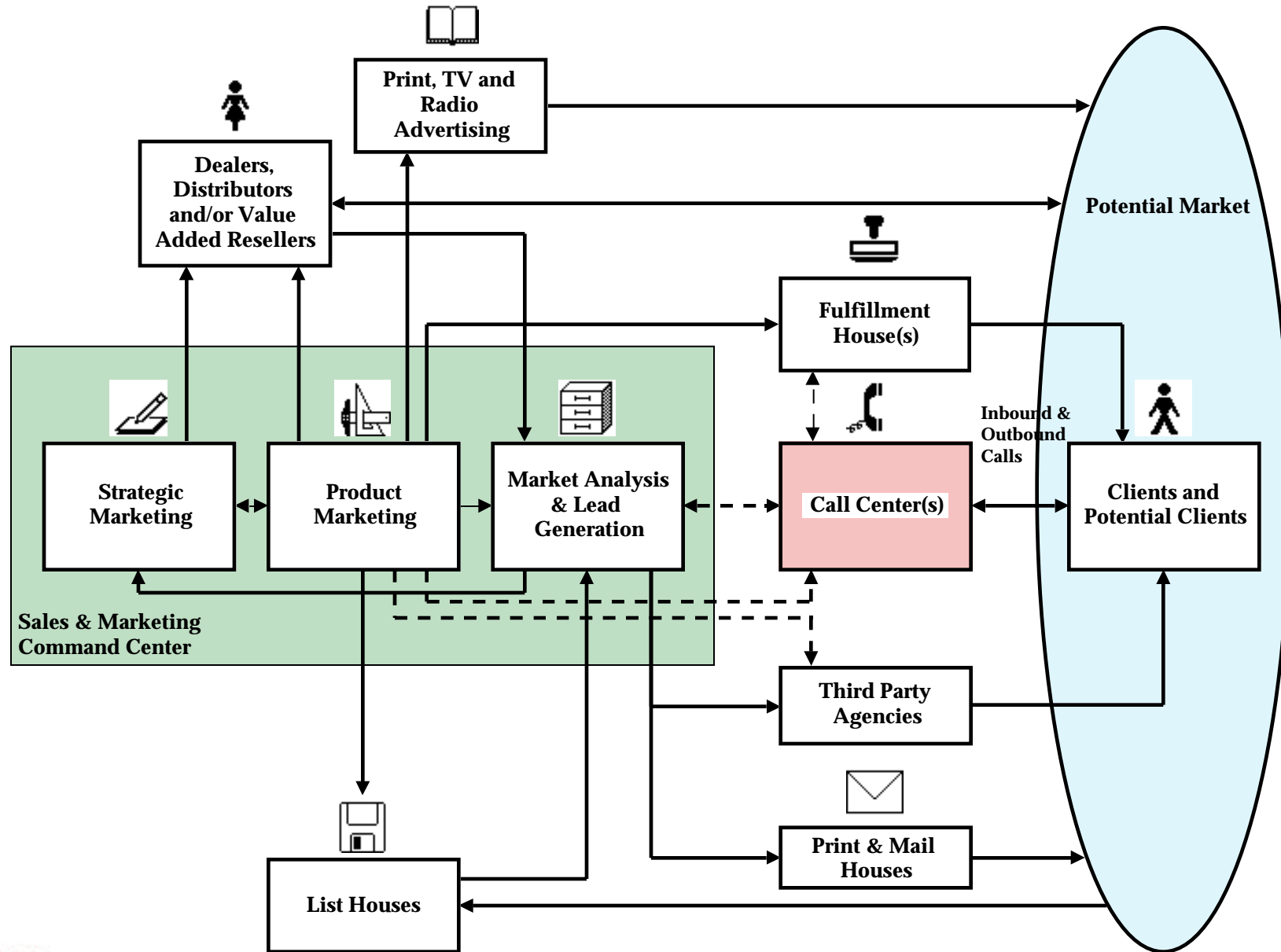
**Market Analysis & Lead
Generation**

Fulfillment Creation & Generation

**Channel & Campaign
Management**

The TeleCenter

Direct Access Channel (DAC) Environment



Strategic Marketing

Purpose:

This group is responsible for determining which markets and market segments that a company should concentrate on. They will determine how much effort and investment should be directed at each market segment. They will analyze each market segment, including an analysis of all major competitors. Finally, this group is responsible for developing customer profiles for each market segment.

Works with:

Executive management; business planning; dealers, distributors, VARs, business partners; Product Marketing; 3rd party research and survey firms

What does the Department consist of?

The Department consists of market researchers and analysts and strategic planners.

Where is the Department located?

The Department is located at or close to your headquarters

When and how is the Department created?

The Department personnel are drawn from some of your existing personnel.

Product Marketing

Purpose:

This group determines what products, options, features and services to sell into which market segments, with what sales methods utilizing which sales channels.

Works with:

Executive management; business planning; Engineering/Development; Dealers, distributors, VARs, business partners; Strategic Marketing; Channel & Campaign Management; 3rd party research firms

What does the Department consist of?

The Department consists of product marketing specialists, sales specialists and product analysts.

Where is the Department located?

The Department is located at or close to your headquarters

When and how is the Department created?

The Department personnel are drawn from some of your existing personnel.

Market Analysis & Lead Generation

Purpose:

This group is responsible for acquiring, storing, and scoring campaign leads (i.e., customers and prospects) for all channels. This group will also analyze the statistical value of each campaign.

Works with:

Product Marketing; Channel & Campaign Management; Channels (i.e., Field Sales, TeleCenter)

What does the Department consist of?

The Department consists of market and campaign analysts, planners, a computer system, computer support staff and a marketing database.

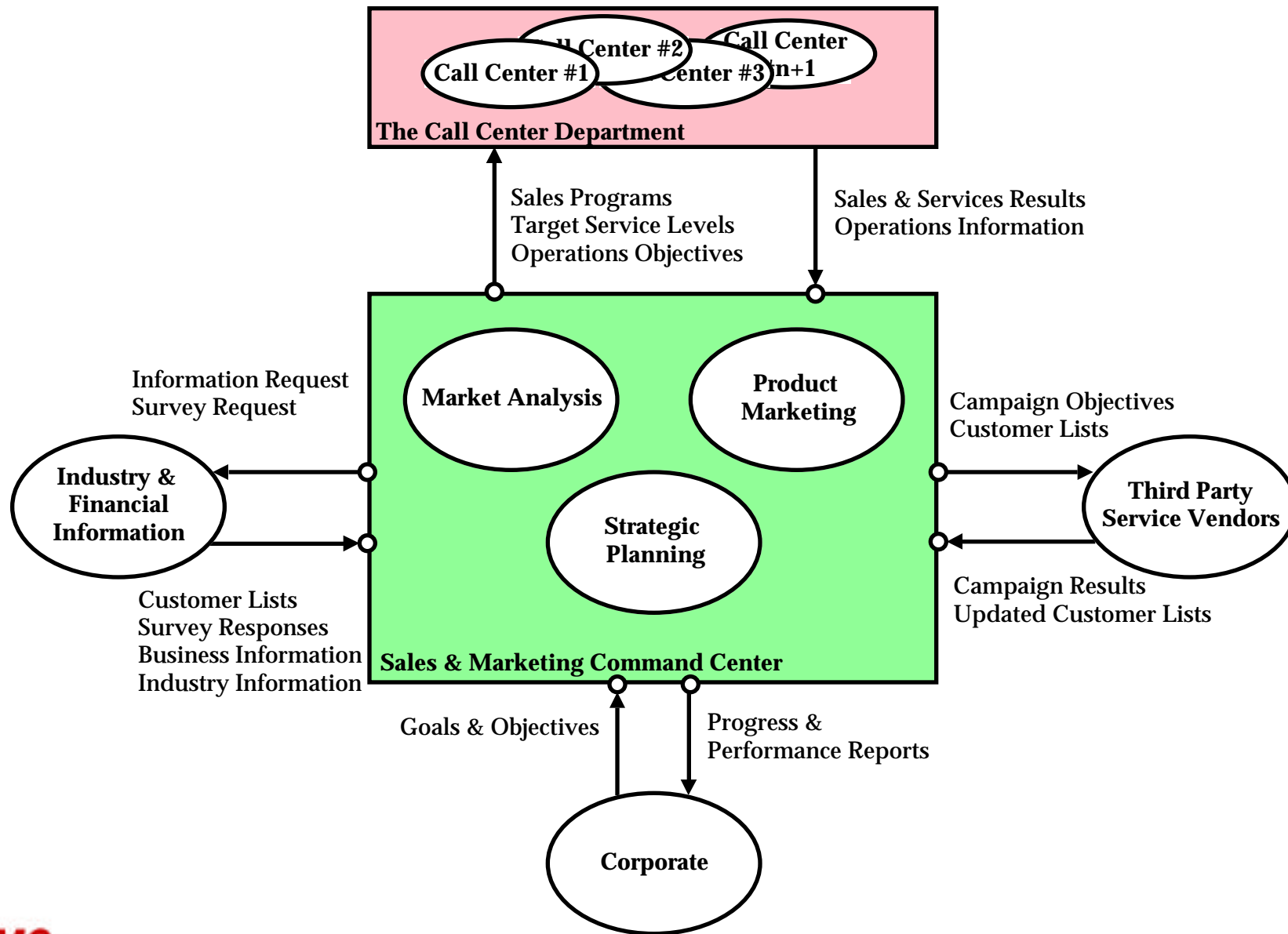
Where is the Department located?

The Department is located at or close to your headquarters

When and how is the Department created?

The Department personnel are drawn from some of your existing personnel. The computer system, support staff and marketing database are purchased, assembled and/or built over a period of time.

A Complex Marketing Environment



Fulfillment Creation & Generation

Purpose:

This group is responsible for the design and creation of all campaign literature and fulfillment pieces (e.g., CD's).

Works with:

Product Marketing; Channel & Campaign Management; 3rd party fulfillment houses (e.g., printers)

What does the Department consist of?

Graphic designers; Document Editors; Layout specialists; Fulfillment experts

Where is the Department located?

The Department is located at or close to Product Marketing

When and how is the Department created?

The Department personnel are drawn from some of your existing personnel.

Channel and Campaign Management

Purpose:

This group is responsible for assembling, scheduling and executing the individual campaigns across all channels. They will coordinate any campaign that involves multiple, simultaneous channels. This group is also responsible for ensuring that the company is prepared for the consequences of running any campaign. Finally, this group is responsible that every campaign is run well.

Works with:

TeleCenter, Field Sales, ... management; Market Analysis & Lead Generation; Product Marketing and Strategic Marketing

What does the Department consist of?

The Department consists of project & campaign managers, campaign designers, customer satisfaction specialists and quality control experts.

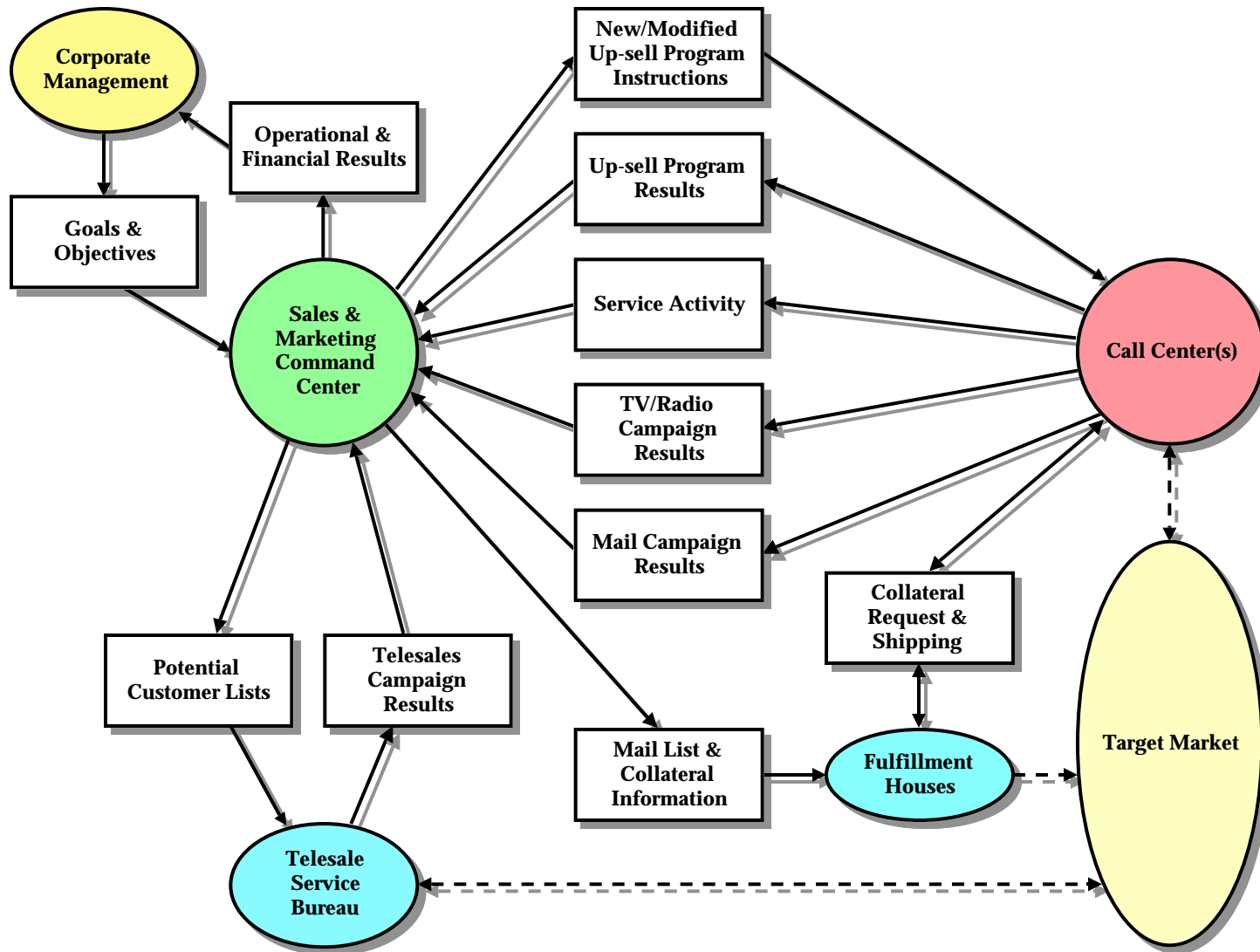
Where is the Department located?

The Department is located at or close to your headquarters.

When and how is the Department created?

The Department personnel are drawn from some of your existing personnel.

Control & Information Flow in the Channel



The TeleCenter (Call Centers)

Purpose:

A collection of Call Centers acting as a unified, seamless *virtual* organization, providing and servicing your company products in your markets across the nation or around the world

Works with:

Customers and prospects; Channel & Campaign Management; Fulfillment; Order Entry/Contract Administration

What does the TeleCenter consist of?

Inbound and outbound TeleMarketers; TeleSales representatives; Supervisors; Backoffice support personnel (optional); Trainer(s); IS/Telecom Support Personnel; Administrative Staff (optional)

Where is the TeleCenter located?

The Centers are located primarily where there is sufficient, appropriately skilled and priced staffing

When and how is the TeleCenter created?

Depends on whether you have a Call Center today.

For existing Call Centers:

- Assess current Call Center(s) business & operations
- Make operational improvements
- Deploy new sales and marketing programs
- Deploy new, business directed technology

Special Considerations...

Advertising & Promotion Considerations

- **What is the role and content of a promotion?**
 - Make sure that it is clear whether it is a lead generation or a order/sales activity.
- **Minimize market segmentation issues.**
 - Make sure the promotion is targeted at the desired segment.
- **Clearly identify the media type and response mechanism**
 - (e.g., unique or shared 800 #).
- **If multiple channels are involved, clearly define and schedule each channel's activities and responsibilities**
 - (e.g., If sending a large mailing, make sure the TeleCenter is prepared to take expected inbound calls).

Campaign Target Audience Selection Considerations

- **Finding new customers to buy your products and services is harder than it is to sell new products, options and services to your existing customers**
 - The difficulty increases in proportion to the age of the market segment and its degree of saturation
 - Focus on existing customers first, offering new products, options and services.
- **New customers from who have acquired one of your new products typically do not buy your other core products**

	<u>Old Products</u>	<u>New Products</u>
Existing Customers	95%	50%
New Customers	25%	5%

Source: The Strategic Planning Institute & Hunter Business Direct, Inc.

Channel Selection Considerations

- Its cheaper to use a TeleSales representative versus a Field Sales representative for a contact (\$15/contact versus \$250/contact at IBM)
- A TeleSales representative can make more contacts per day than a Field Sales representative (25 contacts/day versus 5 contacts/day at IBM)

Importance to a customer:	<u>1970</u>	<u>1980</u>	<u>1990</u>
Contact with a Field Salesperson	1	3	8
Frequency and speed of delivery	2	1	2
Price	3	2	4
Range of available products	4	5	3
Capable inside salesperson	5	4	1

(Rankings based on an Arthur Andersen study)

Customer Satisfaction Considerations

- **The world is changing quickly**
 - Increased global competition
 - Rising customer expectations for:
 - » Higher quality, better service and quicker delivery
- **Understand and manage your customers' expectations about the quality of your products and services**
- **Listen and respond to customer complaints**
 - Enable company personnel to resolve customer problems quickly
 - Modify the process so the problem doesn't happen again

TeleCenter Activities

(In addition to making money and
keeping customers happy...)

Major TeleCenter Activities

- **TeleMarketing**

- Lead Generation
- Lead Qualification
- Product Promotions (unassigned accounts & prospects)
- Customer and Market Surveys
- General Information & Assistance
- Customer Retention & Loyalty

- **TeleSales**

- Account Management
- Product Promotions (assigned accounts)
- Order Fulfillment
- Customer Retention & Loyalty

- **TeleService**

- Customer Service (Pre and/or Post Sales)
- Customer Retention & Loyalty

- **Back-Office**

- Campaign Fulfillment
- Complex Product Configuration
- Order Entry
- Contract Administration

TeleMarketing Activities

- **Lead Generation Methods**

- List Acquisition
- Direct Mail (Inbound Response, Outbound follow-up call)
- Advertising (Inbound Response)
 - » TV, Radio, Print (Magazine, Newspaper)
- Workforce Solicitation (Outbound call from list)
- Cooperative Marketing
 - » Referral Programs, Joint 3rd Party Programs

- **Lead Qualification**

- Installed Customer database clean-up
- Follow-up
 - » Bingo Card
 - » Tradeshow/Conference
- Survey of Leads

TeleMarketing Activities Cont'd

- **Product Promotions (Unassigned accounts & prospects)**
 - Maintenance Renewals
 - Product Upgrades
 - Affiliated Products
- **Customer and Market Surveys**
 - Market Research
 - Product Research
 - Customer Profiling
- **General Information and Assistance**
 - Front Desk and/or general customer assistance line
- **Customer Retention & Loyalty**
 - Customer Satisfaction
 - Special Customer Offers

TeleSales Activities

- **Account Management**
 - Existing Customers
 - » National, Major, Regional, Small, Pooled
 - New Customers
 - » Qualified, Unqualified
 - Relationship Management with Other Organizations
 - » Field Sales, Marketing, Service, Fulfillment
- **Product Promotions (Assigned Accounts)**
 - Maintenance Renewals
 - Product Upgrades
 - Affiliated Products

TeleSales Activities Cont'd

- **Order Fulfillment**
 - General inquiries
 - Place an order
 - Provide order status
 - Modify an order
 - Cancel an order
 - Ship an order (i.e., electronically)
 - Service an order
- **Customer Retention & Loyalty**
 - Special Customer Offers
 - Complaint Handling/Problem Resolution

TeleService Activities

- **Customer Service**
 - Pre-sales support and service
 - » Non-technical
 - » Technical
 - Post-sales support and service
 - » Non-technical
 - » Technical
- **Customer Retention & Loyalty**
 - Customer Satisfaction
 - Complaint Handling/Problem Resolution

Back-Office Activities

- **Campaign Fulfillment**
 - Literature on Demand
 - Mail drop follow-up
 - FAX back
- **Complex Product Configurations**
- **Order Entry**
- **Contract Administration**

Considerations for Organizing Activities & Staff

- **Major Accounts**

- Management and remembrance of account activity is important

- **Other Accounts**

- Pooled account coverage by multiple agents maximizes productivity, but will require a distributed contact management system
- Complex sales cycles are best managed by automation support tools

- **Inbound Calls**

- Unexpected calls should be automatically routed to an assigned and available inbound group capable of handling 80% of the calls
- Anybody should be able to take an order
- Maximize quality telephone time

Activity & Staff Organizational Considerations Cont'd

- **Outbound Calls**

- Most outbound calls should be made by TeleMarketing agents
- All simple campaigns should be made by TeleMarketing agents
- Spend most of the time on the telephone talking with customers and prospects, not doing other activities

- **General**

- Avoid transferring calls
- Avoid forcing callers to leave voice mail messages or manually recorded messages for call-back
- Managing customer satisfaction and expectation is important
- Most productivity improvements are achieved by finding and fixing the most important 20% of the activities

Major Processes

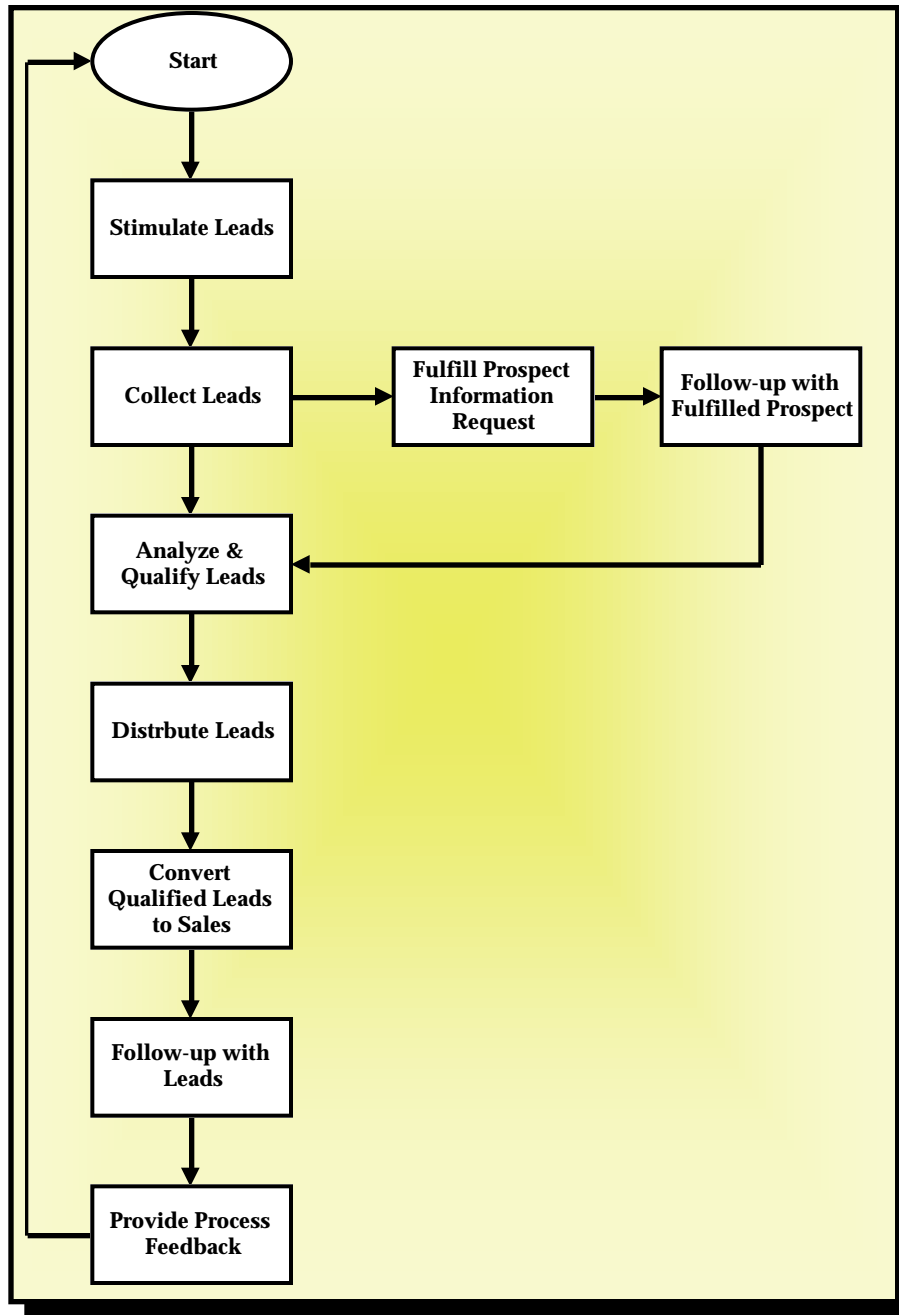
(to consider...)

Potential TeleCenter Processes

- Order Processing
- Campaign Execution
- Account/Customer Management
- Lead Management
- Fulfillment Management
- Customer & Prospect Information Management
- General TeleCenter Operations

An Example of a Complex TeleChannel Process: Closed Loop Lead Generation

How Do You Find New Customers?



Basic Closed Loop Lead Generation Process Flow

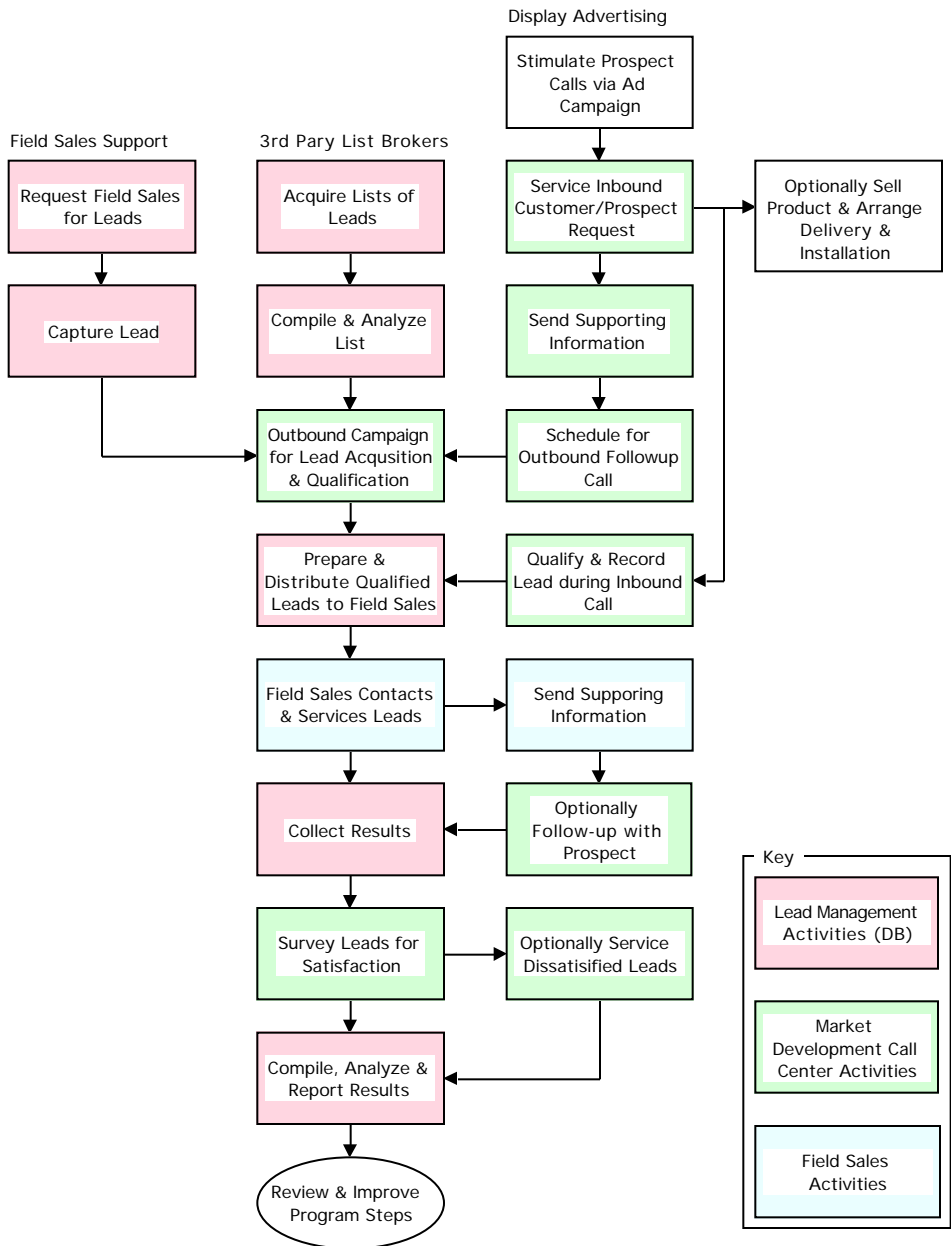
Basic Process Step Descriptions

- **Lead Stimulation:** Through advertising campaigns or other means, generate sufficient prospect interest such that they call for more information and/or to place orders;
- **Lead Collection:** Talk with callers, collecting sufficient information about the callers, their needs and ability to purchase, thereby enabling the qualification of the prospect;
- **Information Fulfillment:** Send company and/or product information as requested by the callers;
- **Fulfillment Follow-up:** Follow-up with callers that received information to determine their needs and ability to purchase;

Basic Process Step Descriptions Cont'd

- **Lead Qualification:** Analyze the collected caller information to determine which callers are qualified prospects;
- **Lead Distribution:** Distribute the qualified prospects with caller information to the appropriate sales groups;
- **Sales:** Convert the qualified leads into sales;
- **Lead Follow-up:** Follow-up with a statistically significant caller sample (includes both qualified and non-qualified prospects) to determine their satisfaction with the services provided; and
- **Process Feedback:** Collect, analyze and report on statistical measurements)

The Process in More Detail...



Major TeleChannel Functions & Capabilities

(that may apply...)

Summary of Major Functions & Capabilities

- **Information Management**
 - Storage, access & analysis: Market, Customer, Product, Prospect, Campaigns
- **Workflow Management**
 - Automatically managing the performance of multi-step, multi-group work: Sales Cycle, Info Requests, Campaigns
- **Communication Management**
 - Managing the flow of information: Internal to the Channel, Within the Company, With Employees, With Customers, With Prospects
- **Product Demonstrations & Support**
 - Educating everyone: Channel ready products, Non-channel ready products
- **Analysis & Reporting**
 - Informing and motivating everyone: Daily Operational, Summary, Exception

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