

**Berg Kaprow Lewis**

Telecoms for competitive advantage

Today's telecoms technology can do more than simply save time and money. Alongside computing, telecoms form the backbone of an efficient business. The technology allows you to talk, leave messages, hold conference calls, send data, use the Internet and handle large volumes of inbound or outbound communication quickly and professionally. So you can do more and sell more, yet keep your costs down.

This briefing covers:

- Using free and low-charge calls to attract customers.
- Linking offices, using broadband, leased lines and conference links.
- Call management, including voicemail.
- Call centre and telemarketing solutions.
- Mobile phones.

1 The right number

The phone number you publicise for your business can immediately give a customer information about your company and the sort of relationship you are expecting.

1.1 You can use a **free call** number — such as 0800, 0808 or 0500 — to encourage people to pick up the phone and call you.

- These numbers are used successfully by businesses selling to the general public. For example, mortgage brokers, driving schools and local tradesmen.
- They are also used by businesses that sell to other businesses. For example, if you sell commodity products to small, cost-conscious firms — such as a tyre

distributor competing with many others for telephoned orders from garages.

- Using a single free call number, you can channel calls by area. So calls from the North are fed to your Manchester office, while calls from the South go to Reading.
- 1.2 Low call charge** numbers — such as 0845 — can be used to encourage callers, without inviting them to stay on the line for ever.
- These numbers are often used for helpdesks.
 - They are also widely used for local call rate connections to Internet services.
- 1.3** There are certain **special numbers** that can be exploited for marketing purposes.

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- 'Golden numbers' that are easy to remember can sometimes be bought from the phone companies, for fees of up to £1,000 each. There is also a 'grey market' in secondhand golden numbers.
- Alphadial numbers, where the letters on the phone keys spell out a name, have not been a success. They are best avoided.

1.4 Premium-rate numbers — such as 090 — are generally used to fund the provision of a service.

- For example, technical support.

1.5 You can use **International 0800** to give people a free and simple way of responding to your overseas advertising.

- The fixed costs are low, at about £100 per quarter. You only pay the variable costs — the call charges — if you are successfully generating sales leads.
- Many UK hotels and holiday companies use this approach to win business.

2 High-speed connections

Digital connections allow you to transmit and receive every kind of telecommunications signal faster, and without errors or distortion.

For some types of business, this can lead to a breakthrough in productivity.

2.1 ADSL or broadband has superseded ISDN connections (see **2.2** and **2.3**) as the fastest and most cost-effective way of communicating.

- The connections are always on — there is no need to dial. Voice calls can be carried through the same line simultaneously.
- Charges are fixed, usually on a monthly basis, although you can make a saving by paying up-front annually.
- Service availability can be restricted by your proximity to the local telephone exchange and whether the exchange has been modified to accept broadband connections.
- A range of data transfer speeds — with different pricing — options are available.
- ADSL capability is shared across a number of users, measured as a 'contention ratio'. The lower the contention ratio, the higher the speed will be.

2.2 ISDN2 is a high-quality digital link, using the existing phone wires. It effectively gives you two high-capacity digital lines.

- The larger, more powerful ISDN30 will probably be more economical if you need more than, say, eight lines.

Get advice to find out which option is best for you.

2.3 BT Highway is a digital connection that gives you the power and capacity of an ISDN line, while still letting you plug in your analogue (non-digital) phones and faxes.

- No recabling is needed. The digital signal travels down your existing phone line.

2.4 Leased lines are permanently open, dedicated digital connections, used only by your business.

- A leased line provides the best connection if you need a permanent link between two offices, or if your business is a very heavy Internet user.
For example, if you need a round-the-clock link so that 'live' information from a database can be fed to your website.

- Leased lines are used by travel agents, who are constantly checking flights and fares with the airline reservation systems. Similarly, you might need to constantly check prices or stock levels.
- The breakeven point for leased lines may come at between two and three hours continuous use per day.
But an automated system making two-second data checking calls every few minutes may also save money with a leased line.

3 Call management

3.1 Auto attendant systems enable customers to pick the service or department they want, by following simple instructions. For example, 'For sales, press one.'

- There can be savings, as each call is ideally only handled once, by the right person, and no operator is required.
- The system needs to be carefully planned, as most people dislike multi-level menus. Many people object to having to deal with a machine at all.
- Always provide a direct route in for callers — non-customers, perhaps — who do not fit easily into the categories you set up.

3.2 The next step up is **interactive voice response (IVR)** equipment.

“Homeworking and hot-desking are beginning to make economic sense for some companies. Modern technology allows some people to be virtual office workers.”
Nigel McCartney, Design Communications

“The rules for auto attendants are simple. Keep it short. Three categories or four at the very most. And make sure, once people have made their choice, that they get to speak to a helpful human voice very quickly.”
Richard Burton, Business Link for London

This kind of system 'understands' a limited range of spoken numbers or key words.

- For example, a local garage might ask customers to say whether they want 'new cars', 'service' or 'parts'.
- You can buy inexpensive PC software to provide IVR for a small firm.

3.3 Voicemail offers advanced call answering and handling features, but is usually uneconomical for firms with fewer than ten employees.

- It lets you do everything with a voice message that you could do with an email. You can copy a message or forward it for a colleague to deal with.
- For example, a sales manager could record a briefing once, enter a code and copy it automatically to the whole sales team.

3.4 A call logging system linked to your phone system gives you the ability to log and analyse phone use.

Choosing your mobile network

Choosing a mobile phone service is largely a matter of matching your needs with what is on offer from the four network services — Vodafone, O₂, T-Mobile and Orange.

A Look at how the detail of each network's tariffs corresponds with your **patterns** of mobile use.

- Where and when will people in your business need to make mobile calls?
- If your employees travel widely, examine network coverage maps. Check that all the areas that matter to you are served. Phone local businesses and ask them which network works best.

B Offpeak periods may vary.

- This may be significant if much of your work is done between 7 and 8am or between 6 and 7pm

C If you buy **several mobiles**, choose one of the networks and stick with it.

- Mobile-to-mobile call charges are always cheaper within the same network.
- You can receive a single, itemised bill.

D Get a **pre-pay phone** if you need to be reached but will make few outgoing calls.

This can lead to reduced costs and improved efficiency.

- In businesses where people are charged for calls they make, logging is essential. For example, in serviced offices where small firms share switchboard facilities.

4 Call centres

Call centres can be the focus of both outbound activities (such as telesales, lead generation and market research) and inbound ones (such as order processing and customer service).

4.1 In-house call centres are replacing many field sales forces.

- A call centre can be anything from two people drumming up orders for a small wholesaler to a large team in a debt recovery or telesales business. It is the degree of automated support for the operation that makes it a call centre.
- Completely automated call centres can sometimes provide adequate service with no human intervention. For example, booking cinema tickets, where callers just need to press numbers.

4.2 CTI (computer telephony integration) boosts productivity for both inbound and outbound work.

- For example, your customer service system can match a caller's number to data in a contact management database and make the details you need pop up on screen.
- The system must be able to integrate with your customer records, whether held in a spreadsheet or your database.
- Inexpensive PC-based software can give outbound operators one-touch dialling plus on-screen scripts and prompts.

4.3 Outsourcing to a specialist company may be the most cost-effective strategy.

- If you need 24-hour staffing or your business is highly seasonal, outsourcing is likely to be cheaper.
- If you need expertise you do not have, outsourcing may be more economical than employing more people. Some Internet service providers and software companies are now outsourcing the handling of all technical queries to specialist call centres.

“You can put bits of this technology together in all kinds of ingenious ways. For example, you can connect an automated telecoms system to a faxback service on a premium line. That lets you provide a service and generate revenue at the same time.”

Mark Kerr,
London ASPECT

5 Mobility

5.1 Answering machines or **voicemail** are the first line of defence against missing calls while you are on the move.

- When choosing a system, consider sound quality, whether you can operate the system remotely, and any time limits on incoming messages.
- Voicemail can be either a function of your phone system or — in a very basic form — a network service provided by your telephone company.
Many people believe a voicemail service sounds more professional than an answering machine. It will also take messages for you while you are on a call.

5.2 If full two-way communication is essential, **mobile phones** are the obvious answer (see box, page 3).

- Realistically, a mobile phone will always increase your total spending on telecoms. The huge payoff is less wasted time.
- With a mobile phone, a card modem and a laptop, you can have a 'virtual office'. This gives you access to your company's databases and the ability to send and receive email and faxes while travelling.
- With the new WAP mobiles, you can send and receive email directly and browse information on a wide range of websites.
- Set out clear rules about personal use of company mobiles. Call barring can be used to limit non-business calls — or even to bar any outgoing calls at all.
- Ask your supplier about equipment that lets you call company mobiles from your office phone at the cheaper mobile-to-mobile (same network) rate.

5.3 For one-way messaging, **paggers** are inexpensive and reliable.

- Pagers often work where mobile phone coverage is poor.
- Basic pagers beep to tell you to call your message service. More expensive models let you read and store text messages.
- For routine use, rent a pager, which means you pay low call charges.
- For occasional emergency use — or if it is one-off customers who will be paying for calls to the pager — buy one outright. Call charges will be much higher.

6 Meetings at a distance

The telephone conference and its high-tech brother, the videoconference, are beginning to be used by many small businesses.

Audio conferences can often be justified on direct cost grounds, for weekly project reports or monthly sales meetings. Videoconferencing is mostly used for special, non-routine projects.

6.1 Telephone conferences can save money and effort, because a one-hour meeting takes just one hour of each person's time.

- The simplest form of telephone conference is a three-person phone call. The network-based service that makes this possible, commonly known as three-way calling, costs about £4 per quarter.

- Loudspeaker phones for conference use allow several people to take part in a telephone discussion with one person or several at another location.
- Conference calls are a standard option on most phone systems. Check with your supplier.
A half-hour conference call linking four UK offices will typically cost about £50. Participants can be brought in and dropped out of the meeting. People can also take part using mobile phones.

6.2 Videoconferencing is beginning to be economical enough for small firms to use — though not usually as a routine activity.

- PC-to-PC videoconferencing equipment now costs just a few hundred pounds.
- Equipment for multi-person 'boardroom' videoconferencing costs from £5,000.

You can hire videoconferencing studio facilities at some Business Links, from the companies that specialise in providing 'instant offices', or from the telephone companies.

Expert contributors

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