



liveops®

BEST PRACTICES OF USING REMOTE AGENTS TO IMPROVE DIRECT MARKETING CONVERSION RATES



CASE STUDY: AEGON DIRECT MARKETING SERVICES

“LiveOps provides us with the analytical tools and data to understand what is happening to sales in real time and adjust our marketing activities instantly to boost outcomes. That’s powerful – and it is why we foresee a successful, long-term relationship with LiveOps.”

–Lynn McKenna
Sr. Vice President, AEGON DMS

BUSINESS BENEFITS

- Implemented solution in 3 months with 4 resources
- Increased sales conversion rate by 30 percent
- Gained real time visibility into sales for immediate adjustments to marketing campaigns

SEE PAGE 4 FOR COMPLETE CASE STUDY

It’s not uncommon for companies actively engaged in inbound and outbound marketing or sales activities to have difficulty planning for appropriate call center resources. They need a way to scale capacity in just one or two months – sometimes by as much as 200 percent – to handle the increased call volumes generated by marketing or seasonal activities. They also need the flexibility to accommodate ongoing unexpected spikes in demand. At the same time, they face ongoing recruiting challenges, as turnover can be as high as 100 percent each year.

The challenges grow exponentially for businesses that require specialized call center resources. For example, businesses may have to recruit and certify a group of call center representatives that have specialized product or industry knowledge in order to accomplish a specific task – such as calling customers or prospects and providing them with insights into new products or promotional campaigns. In the case of health insurance companies, they must have an

adequate number of call center representatives certified to handle inbound calls regarding the Medicare D program. Each Medicare D certification costs close to \$2,000 per call center employee – no small cost. Companies that engage in such sales and marketing campaigns are always measured on return on investment (ROI) and are actively pursuing strategies for optimizing costs and increasing customer conversion rates.

CONTENTS

Executive Summary	p. 1
Using Remote Agents to Improve Direct Marketing Conversion Rates	p. 3
Addressing these Challenges for Your Business	p. 3
Virtual Remote Agents: Transforming Call Center Models	p. 3
Case Study: AEGON Direct Marketing Services	p. 4
Bottom-Line Results	p. 6
The LiveOps Difference	p. 6



USING REMOTE AGENTS TO IMPROVE DIRECT MARKETING CONVERSION RATES

ADDRESSING THESE CHALLENGES FOR YOUR BUSINESS

Do these challenges sound familiar? If your organization requires specialized call center representatives and relies on traditional call centers to support inbound and outbound marketing activities, you will likely face a number of roadblocks:

- Because traditional call centers can only recruit from a very limited geography – within a 50-mile radius – you may have a difficult time finding enough qualified, highly-skilled call center employees to meet your company's unpredictable needs – especially employees with appropriate certifications.
- Increasing the number of qualified representatives often requires significant investment in training, which can quickly add up to hundreds of thousands of dollars.
- Even after you make these investments, you may not have adequate tools to measure and

incent individual performance – so you may not get the return you expect. In addition, in an effort to keep customer service and satisfaction high, you may hire too many people – and pay for too much idle capacity during less active call periods. Or you may move to a two-tier call center model where less expensive and less skilled agents make the first contact, assess the callers' needs, and escalate as they see fit to a small group of certified, second-tier call center representatives. In this case, errors in judgment and inadequate interpersonal skills on behalf of first-tier representatives can sabotage the level of customer service your company delivers.

VIRTUAL REMOTE AGENTS: TRANSFORMING CALL CENTER MODELS

Many companies today are addressing these challenges by using remote agent solutions – an innovative,

cost effective approach to meeting unpredictable and specialized call center requirements. Remote agents are call center agents who provide services from a remote location. In many cases, they contract for businesses that specialize in providing a wide range of call center services, such as LiveOps, the largest provider in the industry with more than 20,000 remote, independent agents. Research shows that unlike traditional call centers where turnover can be as high as 100 percent per year, remote agents are happier in their jobs and with their quality of life – and as a result, turnover can be as low as four percent per year.

Using outsourced remote agents isn't as inexpensive as off-shore outsourcing, but it helps eliminate many of the concerns about cultural differences that can cause customer satisfaction issues. And as LiveOps has demonstrated with more than 200 customers, call center solutions that leverage remote agents can help overcome the

limitations of traditional call centers by providing:

- **A large pool of experienced, high-quality agents:** Providers of virtual call center solutions can recruit nationally for the best talent, as they are not limited to a population within driving distance of a physical building. As a result, they can offer a large number of skilled, professional call center resources. For example, LiveOps currently contracts with more than 20,000 remote agents, many of whom already have specialized certifications required to work in a variety of industries and states.
- **Flexible, on-demand call center resources:** With virtual call center solutions from LiveOps, your company can quickly increase or decrease its contact center infrastructure or agent population to meet actual demand. This means that you always have access to the resources you need to take the calls that your competitors can't – even unexpected spikes. And you only pay for services you need, even during low-volume periods.
- **Tools to monitor, manage, and incent employees:** The large number of agents in a typical, fast-paced call center can make it difficult to track individual performance issues on an agent-by-agent basis. LiveOps can provide you with the tools needed to monitor the performance of every agent in real time – and then use this information to

reward good performance financially. The result is a win-win solution that benefits all parties.

- **Automatic matching of callers with the best resources available:** LiveOps tracks the performance of each call center representative and automatically matches callers with those agents that have the highest performance ratings. This means that your customers always have the best experience possible at any given time.

These are just some of the ways that remote agent solutions can help businesses in all industries increase call center service quality, meet complex requirements and fluctuating demand, and reduce costs.

CASE STUDY: AEGON DIRECT MARKETING SERVICES

To understand the benefits of using virtual, remote agent solutions to handle specialized calls, consider how AEGON Direct Marketing Services – a leading direct marketer of life and supplemental health insurance and fee-based programs – is realizing competitive advantage today. AEGON DMS is the direct response division of AEGON N.V., a global insurance and financial services company. AEGON DMS develops product-specific direct response campaigns and markets through two distinct channels: 1) direct by offering insurance and fee-based products directly to consumers through a variety of direct response methods and 2) sponsored by working directly with business partners as well as through

brokers, agents, and third-party administrators to execute co-branded, in-statement, and outbound marketing programs.

When the Direct Solutions Organization (DSO) unit within AEGON Direct Marketing Services was challenged to find ways to accelerate profitable growth, they developed a new way for customers to buy insurance by simply calling into the AEGON DMS call center. This required finding a way to have enough licensed agents available in the call center to educate callers and sell products.

Lynn McKenna, a Senior Vice President at AEGON DMS, explains, “We could easily design new products that were simpler for call center representatives to sell, but revamping our call center resources and processes would be too complicated.” First, AEGON DMS would need to move from its existing two-tier agent model – where calls were filtered by low-cost, lower skilled agents and then transferred to a small group of licensed agents if appropriate – to a single-tier model where 80 percent of calls would be handled directly by a licensed agent. They found that too many calls were being dropped during transfers to licensed agents, and first-tier agents simply couldn't handle the call complexities, resulting in a 30 percent suppression of their conversion rate.

And second, they would need more licensed agents to handle the call load. Government regulations require that all buyers purchase life and supplemental health insurance from a licensed

agent. Licenses are state regulated, which means that agents must have a license in the state in which they are selling. "Licenses cost anywhere from \$5,000 to \$8,000 per person," adds McKenna. "The costs can add up quickly."

SEARCHING FOR A SOLUTION

ADMS knew it would be extremely difficult to recruit qualified, licensed call center agents within driving distance of their call center facilities. And given the high employee turnover within traditional call centers, they didn't want to waste time and money recruiting staff and paying thousands of dollars in licensing costs only to have them leave in less than a year. Nor did they want to incur the expense of creating new call centers all over the country. AEGON DMS needed a way to:

- Broaden its pool of licensed agents quickly – people who are skilled in actually selling insurance
- Handle spikes in demand while ensuring that 80 percent of calls are answered by first-tier licensed agents who can actually close deals
- Enable 24x7 availability so that prospects can call any time, from any state, to purchase insurance
- Gain real-time visibility into performance so they can adjust demand generation activities to maximize revenue

AN INSTANT POOL OF LICENSED AGENTS

AEGON DMS had worked with LiveOps in the past on a sales campaign, so

they were familiar with LiveOps' remote agent solution. "We wanted to understand how their remote agent solution could help us quickly increase our pool of licensed agents," states McKenna. "For us, staffing a call center with 40 or 50 licensed agents would be a huge challenge. So when LiveOps reported that they had access to a pool of over 100 licensed insurance agents all across the country – some with multiple state licenses – we knew we'd found the right partner."

AEGON DMS also liked LiveOps' flexible, on-demand service model. It provided a way to handle unexpected spikes in demand and allowed AEGON DMS to only pay for time that agents actually spent on the phone with customers.

A QUICK RAMP-UP FOR AN ON-DEMAND SOLUTION

LiveOps required a small team of four project management and technical resources to ramp up operations in just three months – much less than the time required to set up a traditional call center. First, LiveOps' existing licensed agents were invited by AEGON DMS to sell their insurance products. AEGON DMS then began the process of getting reciprocal licenses for these agents in other states. To further broaden the pool, LiveOps plans on identifying other independent agents interested in becoming licensed, providing online study materials to help them prepare for tests, and offering practice tests before candidates take state exams. Those agents who pass the state test will also be invited to contract



"Now we can cherry pick agents and ensure we only use the most skilled agents, and as a result, we've already realized a 30 percent lift in our conversion rate."

Lynn McKenna
Sr. Vice President,
AEGON DMS

with AEGON DMS to sell their products.

Simultaneously, LiveOps built the technical infrastructure required to automatically route calls to agents licensed in the state where calls originated. Processes were also developed to ensure seamless call handoffs between agents – for example, when callers were traveling outside their home state and had to be transferred to another agent. The solution also provides AEGON DMS with built-in performance monitoring of all calls and agents in real time, so both management and the agents themselves can see their relative productivity and effectiveness. The results-based routing system leverages this performance data in real time so that the highest quality call center representatives get new calls first. This ensures that customers always have the best possible customer experience and agents are motivated to perform at their best.

BOTTOM-LINE RESULTS

Leveraging the virtual remote agent call center solution from LiveOps, AEGON DMS has revolutionized the way life and supplemental health insurance is sold. The company now gives customers an alternative way to purchase insurance, and at the same time, has reduced its cost of sales. Nearly all calls are handled directly by more effective, first-tier licensed agents – even during spikes. “Now we can cherry pick agents and ensure we only use the most skilled agents,” comments

McKenna. “And as a result, we’ve already realized a 30 percent increase in our conversion rate.”

AEGON DMS is also reusing analytical data captured by LiveOps’ web-based reporting systems to fuel its “MENZA Media” concept. “We have the tools and data to understand what’s happening to sales in real time and adjust our marketing activities instantly to boost outcomes,” adds McKenna. “That’s powerful – and it’s why we foresee a successful, long-term relationship with LiveOps.”

THE LIVEOPS DIFFERENCE

LiveOps, Inc., the leader in distributed call center technology and services, provides businesses with cost effective, high-performance call center solutions that ensure consistent, high-quality customer contact. Leveraging our network of 20,000 independent agents, our on-demand call center solutions instantly provide you with an enterprise-scale, distributed call center infrastructure and expert resources that can quickly be deployed to represent your company in an effective, professional manner. LiveOps’ solutions allow for greater flexibility, quality, scalability, control, and cost savings than traditional call center and contact center technology providers.

For more information about LiveOps, please visit www.liveops.com.

liveops[®]

5425 Stevens Creek Blvd.
Santa Clara, CA 95051
800-411-4700 or 408-844-2400

www.liveops.com