



Key Note

Market Assessment 2013

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Contact Centres

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Executive Summary

The ongoing economic instability currently being experienced across the UK resulted in a small decline of 1.2% in the number of people employed in call centres and customer care in 2011; however, this followed a rise of 8.2% in 2010. Despite the decline observed in 2011, along with continued concerns that have plagued the economy in recent years, the contact centres market in the UK has continued to remain relatively robust, with total turnover estimated to have grown by 5.4% between 2010 and 2011. On top of this, over the past few years a number of companies have opted to transfer their contact centre operations back into the UK, following an initial trend to outsource to overseas firms observed during the early 2000s. Recruitment has been high in the North of the country, with many companies attracted by the low property rental prices and cheaper wage costs available within northern counties. This trend, termed 'Northshoring', is set to continue over the next few years, as more companies look to move their contact centres back to the UK following an increasing number of consumer complaints regarding miscommunication when talking to overseas call agents.

Another significant trend that has had a noticeable impact on the contact centres market in recent years is the move towards the 'multichannel', with many firms seeking to diversify and expand their operations by increasing the number of communications channels through which customers can contact them, with particular emphasis on e-mail, web chat, instant messenger (IM), short messaging service (SMS) and social media contexts. The popularity of the multichannel strategy has also led to a significant proportion of firms investing in upgrading their networking capabilities through the implementation of Internet Protocol (IP) telephony, allowing businesses to transmit voice and data over a single network in one place, also providing telephony services over the Internet free of charge or on a pay-as-you-go basis.

Other solutions, such as cloud-based services and self-service, have also continued to be explored by contact centre businesses in recent years, as companies seek to provide more efficient customer service solutions and look to keep costs low in the face of continued economic instability. However, these particular solutions have been slow to take off, as has the use of social media as a communications channel among contact centre operations, with many companies preferring the 'watch and wait' option in order to assess how best to invest and upgrade their business.

Growth is predicted by Key Note for the future of the contact centres industry. While this growth is likely to be driven by the ongoing trend towards northshoring and the continued dominance of the services sector within the UK, public-sector spending cuts are expected to continue as the Government continues to reduce the budget deficit. The continued economic difficulties in the country are also likely to limit growth. This could have significant repercussions for those working within the public sector.

1. Introduction

BACKGROUND

This Key Note Market Assessment revisits the contact centres market in the UK, following the publication of the previous edition of this report in 2010. The report analyses the current market size in terms of volume, along with recent and relevant market trends and consumer attitudes towards contact centres. This Market Assessment also provides up-to-date financial information on the leading companies in the market.

In recent years, the expansion of communications channels such as e-mail, social networking sites and other social media and mobile telephones has resulted in the majority of contact centres implementing multi-channel strategies, in order to reach the widest consumer base possible.

Methodology

In November 2012, Key Note commissioned NEMS Market Research to undertake an exclusive consumer survey in order to assess consumer attitudes and opinions regarding contact centres. NEMS carried out similar surveys for Key Note pertaining to the contact centre market for previous editions of this report, in 2005, 2007 and 2010. BMRB Access was the survey provider in 2003 and 2004, while NOP carried out research on behalf of Key Note in 2000 and 2002. Despite some of these surveys using different parameters, much of the research is still comparable. The most recent survey commissioned by Key Note to be included in this report was undertaken in November 2012 and questioned 1,000 men and women in Great Britain, all aged 16 and above. The results of the survey can be found in Chapter 10 — Consumer Dynamics.

The report also assesses the size of the market in terms of volume, i.e. the number of contact centres operating in the UK and the number of people employed by the industry. However, it should be noted that due to the dispersed and fragmented nature of the industry, assessing the exact size of the market along these lines can often be problematic, with many companies outsourcing to overseas call centres on a permanent basis or at peak times and out-of-hours periods. Analysing the market in terms of employee numbers can also prove difficult, as some centres with just a few employees may form part of a much larger nationwide network of operations. The high staff turnover in the market can also be problematic in identifying the total number of people employed within the industry at any one time.

DEFINITION

Contact centres can be defined as a central point within a company or an outsourced division which primarily deals with all customer contact responsibilities, including contact received via e-mail, short message service (SMS), web chat, faxing, visiting websites, telephone calls and instant messaging (IM). These responsibilities often form a major part of a company's customer relationship management (CRM) strategy. They differ slightly from call centres, which are primarily involved in either answering or transmitting a large volume of calls to customers. Nowadays, however, the terms 'call centre' and 'contact centre' have become almost interchangeable and are usually used to refer to the same type of operation, with most organisations currently utilising a variety of different communications channels and very rarely focusing solely on telephony operations.

Contact centres are often multi-faceted in their approach to communications, with most relying on a variety of different communications channels through which they can contact customers or receive inbound queries. These channels can include e-mail, landline and mobile telephones, click-throughs from websites, interactive television, instant messaging (IM), surface mail and social networking sites, such as Twitter. The utilisation of a multi-channelled contact approach allows businesses to collate relevant contact information and data on customers, which are usually registered in a master database — this is particularly useful to marketers as the compilation of such information often allows them to better target prospective clients and/or consumers.

A variety of software solutions and various technologies are used by contact centres in order to effectively manage the large call volumes and data received by such organisations. For example, in recent years, many contact centres have upgraded to a Voice over Internet Protocol (VoIP) system, which can reduce operating costs and allows businesses to communicate with customers in real time across the globe.

2. Strategic Overview

MARKET DYNAMICS

Issues for Callers

Comprehension

A large number of UK contact centres have moved some of their centre operations to overseas locations, such as India or Egypt, resulting in miscommunication between British callers and Indian call centre operatives with strong accents. According to Key Note's latest consumer survey, 38.4% only understood what call centre staff said on the telephone from time to time; while 26% revealed that they hardly ever understood call agents. Although offshoring contact centre operations can often be less expensive than running a centre in the UK, some companies have chosen to stay in the UK in order to better accommodate domestic customers' requirements.

Delays

High call volumes within call centres can often lead to lengthy delays for customers, with many being put on hold for long periods of time or being held up by complicated option menus. For example, the results from Key Note's 2012 consumer survey revealed that more than four-fifths (85.6%) of customers agreed that they wasted time waiting for automated telephone answering machines to connect them to the correct person or department.

Complaint and Query Resolution

Poor query outcomes and a lack of a suitable complaints procedure can sometimes affect consumers. However, according to Key Note's most recent consumer survey, nearly four out of every five individuals (78.2%) felt that when they telephoned an organisation with a query, it was usually answered to their satisfaction. A slightly lower proportion of respondents felt the same when they telephoned in with a complaint, with 71.3% agreeing that their complaints were usually resolved correctly. This is an improvement on the results of the previous survey commissioned by Key Note, undertaken in 2010, when 75.7% of those questioned agreed that queries were handled in a satisfactory way; only 67.9% agreed that this was the case for complaints. These results suggest that contact centres have become more adept at handling both queries and complaints over the past 2 years, highlighting the increasing importance that providing a good customer service has within the industry.

Fraud

E-mail and text message fraud has become a growing problem in the UK in recent years and has continued to have a negative effect on public confidence in online communications. Scam e-mails and text messages — such as those purporting to be from banks, building societies and other corporate services — as well as mass marketing e-mail fraud, reportedly affected around 3,000 people in the UK in 2010, with the average victim reporting a fraud that cost them around £27,000, according to an article published by the BBC in February 2011. Public concern regarding e-mail fraud and other electronic forms of fraud has continued to damage consumer confidence in using online services and transactional websites. As a result, many people have been deterred from using such services due to worries over identity theft or credit/debit card fraud.

Following the rising level of e-mail and text message fraud observed in the UK over the past few years, the National Fraud Authority (NFA) launched a new operation called Action Fraud in 2009 in order to deal with complaints regarding fraud and to track down the criminals responsible for it.

Contact centres dealing with confidential information, including credit/debit card details, are expected to comply with the Payment Card Industry Data Security Standard (PCI DSS), which was drawn up by the PCI Security Standards Council. PCI DSS aims to decrease payment card fraud across the Internet and increase credit card data security by ensuring that all organisations that store, transmit or process cardholder data comply with the standards. These regulations specify that all applicable organisations build and maintain a secure information technology (IT) network; protect cardholder data; maintain a vulnerability management program; implement strong access control measures; regularly monitor and test networks; and maintain an information security policy. However, despite the implementation of these standards in the UK, there have been a number of cases involving data leakages from contact centre staff. For example, in August 2011, an undercover report by *The Sun* newspaper revealed that thousands of Britons' bank and credit card details held by Indian call centres, including those belonging to customers from Barclays and Lloyds TSB, were being sold to criminals.

According to a recent study undertaken by Davies Hickman Partners on behalf of Syntec Telecom in September 2012, around 68% of people in the UK believe that more should be done within organisations in order to reduce the likelihood of customers being affected by credit and debit card fraud. On top of this, 80% of respondents revealed that they thought some agents in call centres may be able to use personal information or financial details provided to them by callers; while only 14% said that they felt confident that companies they buy from comply with adequate security standards in order to keep confidential information private.

Spam and Unsolicited E-mails

Spam and unsolicited e-mails, text messages or even direct messages via social networking sites, such as Twitter, have also become an increasing problem in recent years, with many people receiving a barrage of mass marketing spam mail. Problems regarding mis-sold payment protection insurance (PPI) have dominated headlines over the past couple of years, following a court ruling in 2011 which stipulated that all UK banks must pay compensation to customers who had been mis-sold PPI. However, this has led to an increasing number of telemarketing and telesales contact centres sending out huge numbers of spam e-mails and text messages, along with cold calls, in order to obtain clients for lawyer or solicitor firms working on a 'no win no fee' basis against the banks involved. In recent months, the Information Commissioner's Office (ICO) has begun to crackdown on spam PPI messages, after fining two people found to be responsible for sending out millions of spam texts offering accident compensation and PPI mis-selling services, with a further eight companies thought to be facing similar charges.

Issues for Contact Centres

Infrastructure Failure and Crime

IT system failures, power outages and other infrastructure problems can often affect contact centres, causing huge delays for callers trying to get through to customer services. For example, in August 2011, the installation of a new £160m electronic customer care system designed to improve service standards at energy company EDF resulted in massive delays for customers attempting to get through to the firm's call centres, with many people waiting hours to obtain a response to bill queries.

Poor working conditions at call centres both in the UK and abroad have also affected the public image of the industry in recent years. According to a survey undertaken by the public service trade union Unison in June 2012, almost a quarter of UK call centre workers were found to have their toilet breaks restricted, while seven out of ten complained of eye strain and 80% revealed that their work caused them to feel stressed. However, conditions at offshore contact centres are often considered to be worse, with many workers paid low wages and expected to work long shifts with only short breaks, in order to cut down on overheads and maximise business. According to Shehzad Nadeem, author of *Dead Ringers: How Outsourcing is Changing the Way Indians Understand Themselves*, published in 2011, the increased productivity observed at Indian contact centres — which has risen by around 15% to 25% in recent years — is 'less to do with age, motivation, or cultural inheritance than with an accelerated work pace and technologically induced efficiency'. Furthermore, despite efforts within Indian contact centres to improve break areas and other facilities, breaks are strictly monitored and employees are subjected to intrusive surveillance by line managers. On top of this, Nadeem reveals that many Indian call centre employees 'are often expected to work 6 days a week and forego national holidays, and they often complain of unpaid mandatory overtime'.

Call centres can also be subject to high levels of crime, with some reporting data leakages from some workers or even being the subject of organised crime gangs. For example, in 2010, it was revealed that a worker in a call centre in Kirkby, Liverpool, that is used by Halifax and the Bank of Scotland (HBOS) stole more than £250,000 from bank customers in a joint conspiracy with her partner when she accessed personal details of customers to steal their money. Others have even been the target of organised crime gangs who have placed people within call centres in order to steal customers' data.

Technological Improvements and Investment

The development and upgrading of contact centres can sometimes prove difficult for organisations, particularly during times of economic downturn when companies often seek to cut budgets and overhead costs in order to remain profitable. However, upgrades to systems can be necessary in order to remain appealing to clients and achieve good customer satisfaction. This is particularly true for large contact centres, which need to deal with a high level of inbound queries in a timely manner.

Staff Skills

Although no specialised qualifications are needed to gain employment at a call centre, customer service skills are highly valued. The majority of a contact centre's workforce is represented by front line staff, but there is also a demand for managers and quality assurance employees. Most of the training provided to staff is employer-funded and focuses on customer service, although specialist training is also given dependent on the sector in which the call centre is positioned, e.g. finance, technology, public services, etc. However, according to the *Contact Centre Operations: Labour Market Report 2012* published by Skills CFA, although customer service training within contact centres is generally more extensive than in traditional high-street stores, some supply shortfall was cited in areas such as resource planning, project management and other higher order skills.

Award Winners: CCA Excellence Awards 2012

The Customer Contact Association (CCA) holds an annual awards ceremony to celebrate the highest achieving professionals from all sectors of the contact centres industry. The CCA Excellence Awards are often seen as a global standard within the market and are judged by peers working within the industry. The 2012 awards ceremony was led by Barclays Wealth and Investment Management, which won a total of five awards, including Overall Professional of the Year and Overall Team of the Year. However, the Driver and Vehicle Licensing Agency (DVLA) Contact Centre stole the show after taking home the gong for Overall Centre of the Year and Most Effective Training Programme.

Further details regarding the winners of the 2012 CCA Excellence Awards are listed below:

- **Best Customer Experience Centre of the Year** — Barclays Wealth and Investment Management (Winner); LV= (Highly Commended)
- **Contact Centres: Great Places to Work** — LV= (Winner); Everything Everywhere (Highly Commended)
- **Most Effective Training Programme** — DVLA Contact Centre (Winner); Capita BBC Audience Services (Highly Commended)
- **Corporate Social Responsibility in Customer Contact** — Nationwide Building Society (Winner); Bank of America (Highly Commended)
- **Professional of the Year: Agent** — Stacey Gowran, T-Mobile (Winner); Nick Kkafas, Serco (Highly Commended)
- **Professional of the Year: Team Leader** — Amanda Cradden, Barclays Wealth and Investment Management (Winner); Sarah Mottram, Sky (Highly Commended)
- **Professional of the Year: Manager** — Isobel McKendry, Telefónica UK Ltd (Winner); Alexis Ward, Barclays Wealth and Investment Management (Highly Commended)
- **Professional of the Year: Director** — Peter Sinden, LV=
- **Lifetime Achievement Award** — Cheryl Black
- **Contact Centre Team of the Year: Business-to-Business (B2B)** — Demand Management Team, HMRC (Winner); Capita/O2 B2B Team (Highly Commended)
- **Contact Centre Team of the Year: Business-to-Customer (B2C)** — Global Client Service Centres, Barclays Wealth and Investment Management (Winner); Digital UK, MGt PLC (Highly Commended)
- **Customer Service Complaints Team of the Year** — CPM UK Ltd (Winner); Sky (Highly Commended)
- **Back Office Customer Service Team of the Year** — Analysis and Incentive Team, Sky (Winner); Sales and Quality Team, Sky (Highly Commended)
- **Best Outsourcing Partnership** — City Park Technologies and American Express (Winner); RESPONSE and Hiscox UK & Ireland (Highly Commended)
- **Best Technology Partnership** — NewVoiceMedia and SHL
- **Most Effective Use of Self Service** — National Health Service (NHS) Business Services Authority
- **Most Effective Use of Social Media** — Tesco
- **Overall Professional of the Year** — Amanda Cradden, Barclays Wealth and Investment Management

- **Overall Team of the Year** — Global Client Service Centre, Barclays Wealth and Investment Management
- **Overall Centre of the Year** — DVLA Contact Centre.

Market Size

Data compiled by the Office for National Statistics' (ONS') *Annual Business Survey* (ABS) give a general picture of the current status of the contact centres industry and provide figures for combined turnover; total purchases of goods, material and services; and net capital expenditure, as displayed in Table 2.1. According to the figures, the combined turnover of companies located in the UK operating as call centres increased by 11.6% between 2008 and 2011, from £1.99bn to £2.22bn, despite observing a decline of 4.5% in 2009. Unsurprisingly, these fluctuations had a direct effect on total purchases of goods, material and services, as well as total net capital expenditure within the industry during the 4-year period, both of which are good indicators regarding the growth and investment within a particular industry. Total purchases of goods, materials and services fell by 8% in 2009, before rising to £682m in 2011. Total net capital expenditure continued to decline in both 2009 and 2010, before recovering in 2011 and rising by 183.3% to £51m. These fluctuations are primarily down to the ongoing economic difficulties currently being experienced in the UK, following the double-dip recession of early 2012 and the ongoing debt crisis within the Eurozone.

Table 2.1: The UK Call Centre Market by Total Turnover, Total Purchases of Goods, Materials and Services and Total Net Capital Expenditure by Value (£m), 2008-2011

	2008	2009	2010	2011
Total turnover	1,985	1,895	2,101	2,215
<i>% change year-on-year</i>	-	-4.5	10.9	5.4
Total purchases of goods, materials and services	601	553	633	682
<i>% change year-on-year</i>	-	-8.0	14.5	7.7
<i>Table continues...</i>				

Table 2.1: The UK Call Centre Market by Total Turnover, Total Purchases of Goods, Materials and Services and Total Net Capital Expenditure by Value (£m), 2008-2011

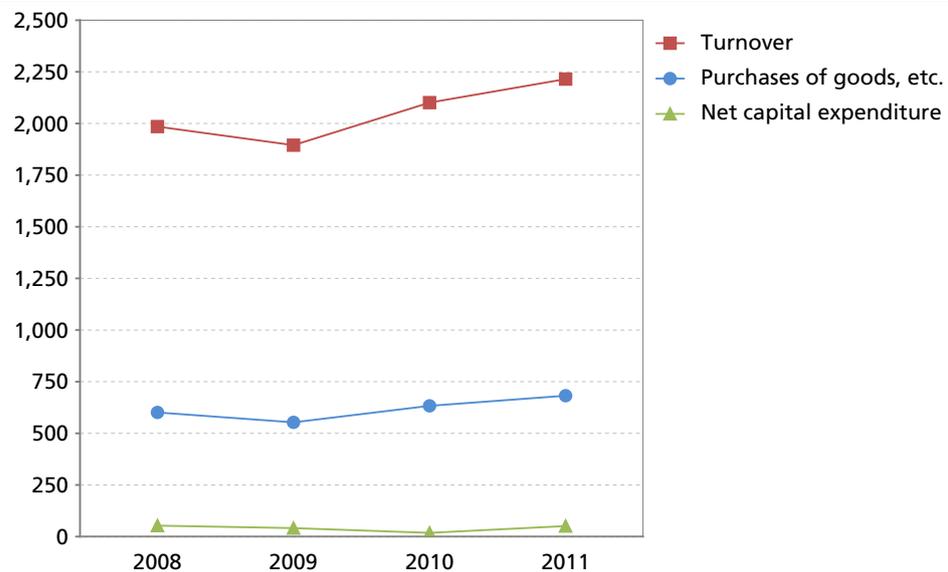
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	2008	2009	2010	2011
Total net capital expenditure	53	41	18	51
% change year-on-year	-	-22.6	-56.1	183.3

Note: these figures may not be representative of the entire contact and call centres market in the UK as it includes mainly out-of-house businesses whose principal activity includes call centre activities, thus excluding in-house operations that form part of a wider firm, e.g. a bank; the Annual Business Survey (ABS) samples approximately 62,000 businesses in Great Britain from a population of over 1.8 million businesses in the sample frame.

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Figure 2.1: The UK Call Centre Market by Total Turnover, Total Purchases of Goods, Materials and Services and Total Net Capital Expenditure by Value (£m), 2008-2011



Note: see notes for Table 2.1.

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Further figures compiled by ONS in the second quarter (Q2) of 2011 estimated that 107,000 people were working in call and contact centre operations, up by 7% from 100,000 in Q2 2010. However, it should be noted that this data is collected largely via neighbourhood surveys which ask respondents what the main business of their employer is. It could therefore be assumed that the data only refers to employees of companies that operate outsourced contact centres on behalf of other organisations and may thus exclude in-house call and contact centre operations. However, as the majority of the market is represented by in-house operations, it is thought that a much greater number of people are employed in contact centres, at just over 1 million.

According to Skills CFA's *Contact Centre Operations: Labour Market Report, 2012*, the average contact centre in the UK includes 115 seats, while operations involved in outsourcing, utilities, communications and finance have a larger than average mean number of seats. The report also revealed that there were approximately 4,200 contact centres based in the UK that employed 100 agents or fewer, representing 75% of the market but employing just 27% of all agents. Meanwhile, larger contact centres with over 250 seats employed around 51% of all contact centre operatives.

The growth that has been observed in contact centre employment over the past decade or so has been driven by the increasingly service-led economy in the UK — with over 70% of gross domestic product (GDP) and 80% of UK jobs currently thought to be service-based. Improvements in technology for businesses and business development have also helped to drive investment within this particular sector, as has a growing number of firms opting to bring such operations in-house in order to more effectively maintain budgets. A number of firms have also chosen to relocate their overseas operations back into the UK, following a rise in customer complaints regarding miscommunication between overseas operatives. For example, in July 2011, Santander revealed that it had brought its call centres back to the UK from India following customer complaints. In the same month, telecommunications firm New Call Telecom transferred one its call centres from India to Lancashire following increased operating prices in India.

By vertical sector, retail leads the contact centre market, followed by finance and the public sector, while retail and communications were the most significant in terms of employment. In terms of region, more northerly areas such as the North East, the North West, Scotland, and Yorkshire and Humberside are particularly important within the market, with many companies setting up contact centre operations in these particular regions due to the lower wages and costs of operating within such areas, particularly compared with Greater London and the South East.

The UK market is dominated by in-house call centres, although outsourcing operations to specialist contact centre businesses is a growing trend, which has driven demand for business process outsourcing (BPO) companies, such as Capita Group, and involves contracting out specific parts of a business to a third-party service provider. As a result, companies' contact centre operations are often small and fragmented, with many having different offices in a variety of locations, including overseas divisions. However, this has allowed these companies to offer round-the-clock customer service — something that has proved particularly useful to companies with an international client base — and also allows firms to offer a variety of different services.

Technology and Infrastructure

Investment in new technology, particularly in technology intended to unify communications within contact centres and call centres, is key to ensuring that a business remains ahead of the market and can help to save money on network and telephony costs. In recent years, many companies have introduced Voice over Internet Protocol (VoIP) systems within their contact centre operations, which allow companies to transmit voice and data over a single network in one place, thus making calls over the network for free. Skype is one of the leading providers of VoIP and provides telephony services over the Internet free of charge. According to a study undertaken by VoIP experts Telappliant in June 2012, the technology is currently being used by around 40% of UK businesses, while a further 25% are thought to be planning to review and implement VoIP within the next 12 months.

The use of an Internet Protocol (IP) infrastructure has also allowed companies to operate virtual contact centres and has helped to facilitate home-working. Virtual contact centres represent one of the fastest-growing trends within the contact centre market and can often prove a cost-effective solution in allowing staff to operate from home, thus reducing office and property costs. A number of companies now use virtual contact centres, such as the Co-operative Travel Group's Future Travel division — the UK's largest virtual contact centre.

Cloud-based solutions have also become increasingly popular among organisations looking to save costs as these types of data storage models free up investment that would have been channelled into in-house storage systems and IT resources — otherwise known as customer premise equipment (CPE). Cloud-based solutions can also provide greater flexibility and huge scalability to companies — particularly those that operate virtual contact centres — and allow for improved integration between front and back office staff, as well as a utilities approach to billing, i.e. pay-as-you-go services. The rising popularity of cloud-based solutions has also driven the development of cloud-based customer relationship management (CRM) tools by software suppliers to the services-based sector in recent years.

Another solution that has continued to take hold in recent years is telephony self-service, which allows contact centre operations to deal with high call volumes efficiently and can save costs. However, the majority of businesses opt to use a mixture of self-service and contact centre agent operatives, with only 4% of the total contact centre industry accounted for by telephony self-service, while 79% utilise agent telephony, according to *The 2012 Multichannel Survey*, which was undertaken by Genesys and Protocall One. Nevertheless, this particular area of the market has been growing following the integration of new and different contact channels such as social media and the provision of troubleshooting query searches via the Internet.

COMPETITIVE STRUCTURE

Industry Background

The first call centres were set up following the development of automatic call distributor (ACD) systems, which are thought to have first been manufactured during the 1950s. These systems helped to filter and assign calls to agents using an algorithm and were first used by central operator enquiries in the UK. According to callcentrehelper.com, the earliest example of a call centre in the UK was the *Birmingham Press and Mail* centre in 1965. Over the next couple of decades, during the 1970s and 1980s, a number of major companies established their own call centre operations, such as Barclaycard and Lloyds TSB. In 1985, insurance firm Direct Line became the first company to sell insurance entirely over the telephone.

In the 1980s, the deregulation of the telecommunications market, along with technological advances in ACD systems and infrastructure, led to a fall in service costs and, as a result, the UK contact centre industry grew to become the largest in the world, with the exception of that in the US. The rise of the Internet during the 1990s continued to stimulate growth with the contact centre market, with dotcom companies continuing to attract large sums of investment during this decade and websites helping many companies to expand their communications services via different channels.

In the early 2000s, a number of companies opted to move their call centre operations to overseas locations such as India and the Philippines, where costs and wages are generally cheaper. As mentioned previously, in recent years many firms have begun to move operations back to the UK following a rise in customer complaints. Nowadays, the majority of contact centres utilise a multi-channel strategy, with many using various methods of communication, including e-mail, text messages, the Internet and social media, alongside traditional telephony services. This has been facilitated by the development of cloud-based technology and improvements in CRM solutions, which have helped to integrate the use of multiple channels and international operations.

Structure

The market is dominated by in-house contact centres, which represent approximately 65% of the industry, with the remaining 35% accounted for by outsourcing firms, such as Capita Group which holds a number of Government contracts to service the public sector. In recent years, however, specialist outsourcing firms have continued to gain market share and can often provide a more cost-effective solution to companies looking to set up a new contact centre operation.

In-house departments often focus primarily on customer service or administrative functions and companies can work across a broad range of industries, such as telecommunications, finance, retail and sales, telemarketing, communications, the public sector, utilities, printing and publishing, manufacturing, transport and travel, and other service-based industries. Contact centres based in-house usually deal with inbound queries; however, there are also a number of businesses that deal only with outbound calls. These types of companies are usually involved in telemarketing or telesales.

Table 2.2 displays the top 20 contact centre companies that are currently operating within the UK in terms of turnover during 2011/2012. These companies are primarily engaged in providing outsourced contact centre solutions to businesses. Capita Business Services Ltd, which holds a number of lucrative public-sector contracts, led the market in terms of turnover, after generating revenue of £885.1m. It also recorded the highest number of employees, at 10,071 in the year ending 31st December 2011. In second place was Vertex Data Science Ltd, which serves a number of well-known brands including Hydro One and Southstar Energy and registered a turnover of £340.4m and a pre-tax profit of £16.2m in 2012; this company was followed by BPO specialist The Innovation Group PLC, which generated sales of £175.9m and reported a pre-tax profit of £10.2m in 2011.

Despite being included in the top 20, a number of firms registered a pre-tax loss during 2011/2012, including Serco Listening Co Ltd, Teleperformance Ltd, HCL BPO Services (NI) Ltd, Clinical Solutions International Ltd, MGt PLC and Spoke (Interactive) Ltd, suggesting that some companies are still struggling to turn a profit following the ongoing economic instability within the UK and the Eurozone.

Table 2.2: The Top 20 Contact Centre Companies in the UK by Turnover, Pre-tax Profit and Number of Staff (£000 and number), Year Ending 2011/2012

Rank	Company	Turnover (£000)	Pre-Tax Profit (£000)	Number of Staff	Financial Year Ending
1	Capita Business Services Ltd	885,084	215,107	10,071	31/12/2011
2	Vertex Data Science Ltd	340,449	16,215	7,083	31/03/2012
3	The Innovation Group PLC	175,868	10,207	2,355	30/09/2011
4	Geoban UK Ltd	133,337	79	3,157	31/12/2011
5	CPM UK Ltd	100,761	7,053	898	31/12/2011
6	Serco Listening Co. Ltd	87,323	-9,513	3,589	31/12/2011
7	Teleperformance Ltd	70,056	-731	2,958	31/12/2011
8	Telecom Service Centres Ltd	62,377	4,178	2,908	31/03/2011
9	Inkfish Call Centres Ltd	33,877	564	1,617	31/03/2012
10	Response (Building Rewarding Relationships) Ltd	31,913	28	1,627	30/06/2011
11	Infoteam International Services Ltd	28,397	4,076	486	30/04/2011
12	Hinduja Global Solutions UK Ltd	24,982	1,990	896	31/03/2012
13	HCL BPO Services (NI) Ltd	22,225	-1,757	1,317	30/06/2011
14	Clinical Solutions International Ltd	22,172	-136	115	31/12/2011
15	Yes Money Ltd	19,476	150	413	31/10/2011
16	Teletech UK Ltd	17,723	1,540	923	31/12/2011

Table continues...

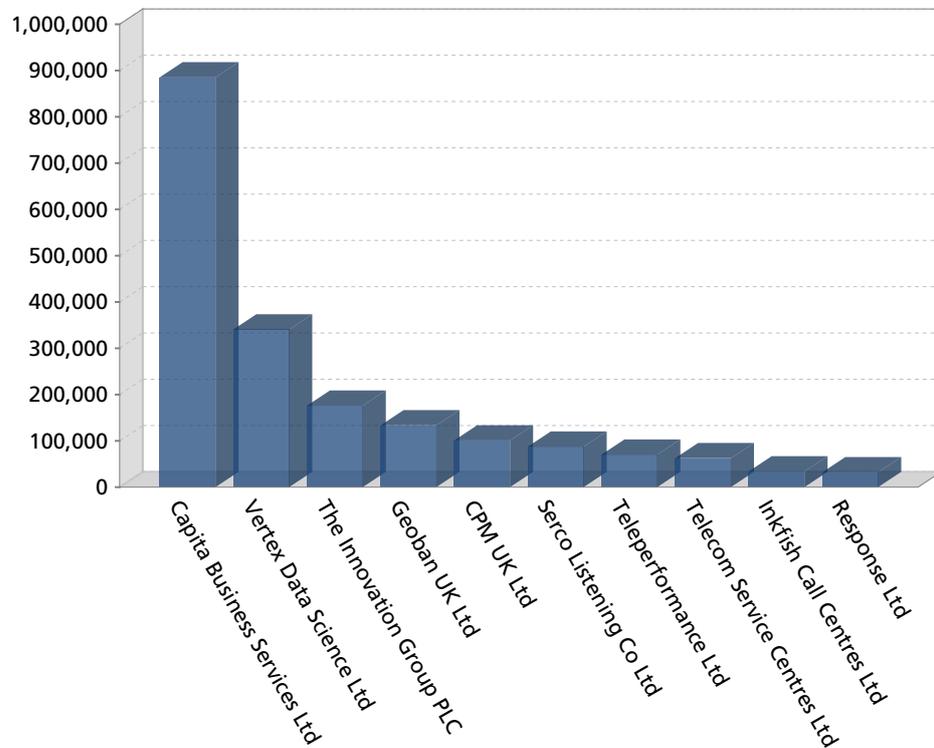
Table 2.2: The Top 20 Contact Centre Companies in the UK by Turnover, Pre-tax Profit and Number of Staff (£000 and number), Year Ending 2011/2012

...table continued

		Turnover (£000)	Profit Pre-Tax (£000)	Number of Staff	Financial Year Ending
17	MGT PLC	15,358	-3,268	752	31/12/2011
18	Spoke (Interactive) Ltd	15,247	-575	52	30/06/2011
19	Egain Communications Ltd	14,732	3,482	57	30/06/2011
20	Clientlogic Ltd	14,219	241	603	31/12/2011

Source: Key Note

Figure 2.2: The Top 10 Contact Centre Companies in the UK by Turnover (£000), Year Ending 2011/2012



Source: Key Note

CONSUMER TRENDS

In November 2012, Key Note commissioned NEMS Market Research to undertake an exclusive consumer survey in order to investigate attitudes and opinions pertaining to contact centres. Respondents were asked a series of statements in relation to contact centres, with which they had to agree or disagree. The survey was undertaken using a sample of 1,000 men and women all aged 16 and above.

According to the survey results, the majority of respondents still preferred to contact an organisation via traditional means — using the telephone — with 71.6% of people opting for this method. However, more than half (57.6%) revealed that they used e-mail or click-through options on an organisation's website in order to contact customer services. This compares with the 43.9% that preferred to contact a particular company in person by visiting a main or local branch and the 27.5% who opted to communicate via letter or fax. New communication channels, such as instant messenger (IM) and social media, still have a relatively low penetration rate, with only 15.1% of respondents using this particular method in order to contact customer services.

Self-service telephone options were found to be relatively unpopular with consumers, despite a number of companies installing self-service capabilities, with 94.3% of respondents revealing that they would rather speak to a real person than an automated answering service. On top of this, 85.6% of people felt that they wasted time waiting for automated telephone answering services to connect them to the correct person or department.

Despite this, the majority of those questioned agreed that their queries or complaints were usually answered by contact centre customer services to their satisfaction. Nearly four-fifths (78.2%) stated that they felt their queries were usually answered satisfactorily, while around 7 in 10 respondents (71.3%) agreed that, when phoning in with a complaint, it was handled sufficiently well.

Telemarketing/telesales calls were found to be slightly successful, with nearly a third (30.5%) of respondents revealing that salespeople that phoned them frequently persuaded them to buy something or made them feel under pressure to buy. In comparison, 13.5% stated that sales calls persuaded them to purchase items/made them feel under pressure to do so from time to time. Nearly half (46.6%) said that salespeople that phoned them hardly ever persuaded them to buy something or made them feel under pressure. In addition, nearly three quarters (74.7%) of those questioned revealed that they do not accept calls from salespeople unless they had contacted them previously.

The survey results also highlighted some problems concerning the standard of communication achieved between customers and call centre agents, with around one in four people (26%) revealing that they hardly ever understood what call centre staff were saying, while 38.4% stated that they understood such calls from time to time. Around a third (34.4%) of respondents said that they had no trouble understanding contact centre staff and that they frequently understood what was being said to them.

MARKET OUTLOOK

The contact centres market in the UK is expected to continue to grow, following continued transference of overseas operations back to domestic locations in a bid to appeal further to customers wishing to talk to UK-based operatives and in response to growing customer complaints regarding miscommunications when talking to staff based abroad. Investment into upgrading technology and IT infrastructure within UK call centres is also predicted to continue to rise in the near future following the increasing popularity of multi-channel communications strategies that take into account a variety of mediums, such as e-mail, text messages, social media, IM and, of course, telephony services. For example, figures compiled by Genesys and Protocall One for *The 2012 Multichannel Survey* — that was published in May 2012 and questioned 218 respondents from the contact centres market — revealed that although voice telephony is still the most widespread (70%), non-voice channels such as Web enquiry forms (21%) and Web chat (12%) were continuing to increase in terms of penetration, while social media has become an important secondary channel, with 9% of businesses agreeing that this was the case.

This trend towards a more multi-channel contact centre is in turn expected to drive demand for unified communications (UC) software, which integrates real-time communications services, such as IM and telephone calls, with non-real-time communications, such as voicemail, e-mail or text messaging; thus providing contact centre agents with a single user interface from which they can interact with customers using a variety of communication channels. Other solutions, such as cloud-based storage services — which allow phone calls and IM services to be delivered over the Internet for free or at a monthly fee — and self-service contact centre response menus are also likely to feature heavily in the future, as are virtual contact centres, which provide greater flexibility and allow businesses to operate round-the-clock services using home operatives.

Although the contact centres market has observed small declines (in terms of employee numbers) over the past couple of years, this contraction slowed somewhat in 2012, suggesting that a return to growth could be observed over the next few years. Indeed, market indicators point to small year-on-year growth (in terms of employee numbers) up until 2015. Despite the fall in employee numbers observed in 2011 and 2012, total industry turnover has continued to rise since 2009; while this growth may slow somewhat in 2012 following the double-dip recession, incremental growth is expected from 2013 onwards, with the market strengthening thereafter up until 2015 and possibly beyond, with a similar trend to be observed in terms of capital expenditure over the next 4 to 5 years.

3. Work In Call and Contact Centres

INTRODUCTION

This chapter analyses the call and contact centres market in terms of employee size, which is a good indicator as to how well the industry is performing and how fast it is growing within the UK.

NUMBER OF EMPLOYEES

According to figures compiled by the Office for National Statistics (ONS), employment in call centres and customer care observed growth in 7 out of the previous 11 years, with declines observed in 2005, when figures fell by 2.1%; 2009, when employee levels dropped by 7.1%; and in 2011 and 2012, when employee numbers dropped by 1.2% and 0.5%, respectively. The decline in 2005 is likely to have been caused by the increasing number of UK businesses that decided to move customer care and call centre operations to bases overseas, such as in India or the Philippines, where property, energy and labour costs are often cheaper. In 2009, 2011 and 2012, the declines experienced in employment within the industry were principally down to the recession, which hit the country during 2008/2009 and again in the first quarter of 2012. This resulted in soaring unemployment across a number of business sectors within the UK, including the service-based industry, which comprises call centres and customer care staff.

Along with the 416,000 employees estimated to have been employed within the call centres and customer care market in 2012 were 123,000 customer service managers and supervisors, 55,000 of which were men and 68,000 of which were women. Although not directly comparable with gender-specific figures produced by the ONS referring to managerial positions within this sector — due to the introduction of a new Standard Occupational Classification (SOC) system for 2011 — it is thought that managerial and supervisory roles among women have decreased within call centres and customer care businesses over the past few years, while the number of men in such positions increased in both 2011 and 2012, although women still dominate in terms of overall employment.

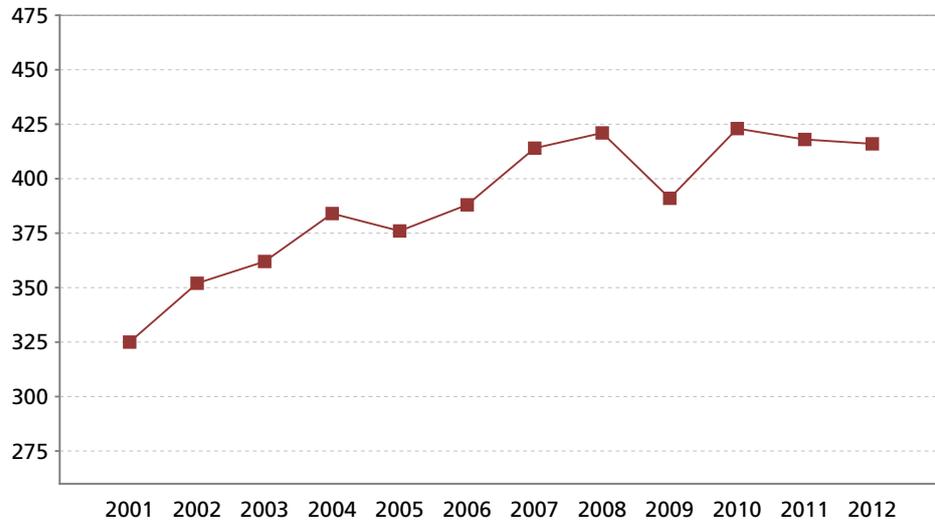
Table 3.1: Employment in Call Centres and Customer Care in the UK (000 and %), April to June 2001-2012

	Employment	% Change Year-on-Year
2001	325	-
2002	352	8.3
2003	362	2.8
2004	384	6.1
2005	376	-2.1
2006	388	3.2
2007	414	6.7
2008	421	1.7
2009	391	-7.1
2010	423	8.2
2011	418	-1.2
2012	416	-0.5

Note: employment figures compiled by the Office for National Statistics (ONS) for call centres and customer care may understate the actual number of people working within the industry, as figures may only refer to companies whose principal business activity is acting as a contact centre and thus may exclude in-house operations.

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Figure 3.1: Employment in Call Centres and Customer Care in the UK (000), April to June 2001-2012



Note: employment figures compiled by the Office for National Statistics (ONS) for call centres and customer care may understate the actual number of people working within the industry, as figures may only refer to companies whose principal business activity is acting as a contact centre and thus may exclude in-house operations.

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Similar to managerial level positions, women dominated employment at sub-management level as well, with 264,000 women employed as call centre agents or in customer care positions, compared with 152,000 men. Overall, the number of positions held by women increased by 4.8%, while the number of positions held by men fell by 9%.

According to the figures produced by the ONS, there were around 3.4 general call centre and customer care staff for every manager employed within the sector, suggesting that some organisations are top-heavy with management staff. Around 1.8% of total jobs are represented by this particular area of the economy and around 1 in 55 people are thought to be employed as a call centre operative or within customer care.

Table 3.2: Employment in Call Centres and Customer Care in the UK by Sector by Sex (000), April to June 2001-2012

	Employment (000)		
	Men	Women	Total
2001			
Call centres	24	54	77
Customer care	72	176	248
Total 2001	96	230	325
2002			
Call centres	27	50	77
Customer care	81	194	275
Total 2002	108	244	352
2003			
Call centres	29	48	77
Customer care	86	199	285
Total 2003	115	247	362
2004			
Call centres	31	62	92
Customer care	79	212	292
Total 2004	110	274	384
2005			
Call centres	36	50	86
Customer care	84	206	290
Total 2005	120	256	376
2006			
Call centres	41	66	108
Customer care	77	203	280
Total 2006	118	269	388
<i>Table continues...</i>			

Table 3.2: Employment in Call Centres and Customer Care in the UK by Sector by Sex (000), April to June 2001-2012

...table continued

	Employment (000)		
	Men	Women	Total
2007			
Call centres	36	69	104
Customer care	95	215	310
Total 2007	130	284	414
2008			
Call centres	38	59	97
Customer care	99	225	324
Total 2008	137	284	421
2009			
Call centres	39	46	84
Customer care	95	212	307
Total 2009	134	257	391
2010			
Call centres	42	58	100
Customer care	112	210	323
Total 2010	154	268	422
2011			
Call centres	46	61	107
Customer care	121	191	312
Total 2011	167	252	418

Table continues...

Table 3.2: Employment in Call Centres and Customer Care in the UK by Sector by Sex (000), April to June 2001-2012

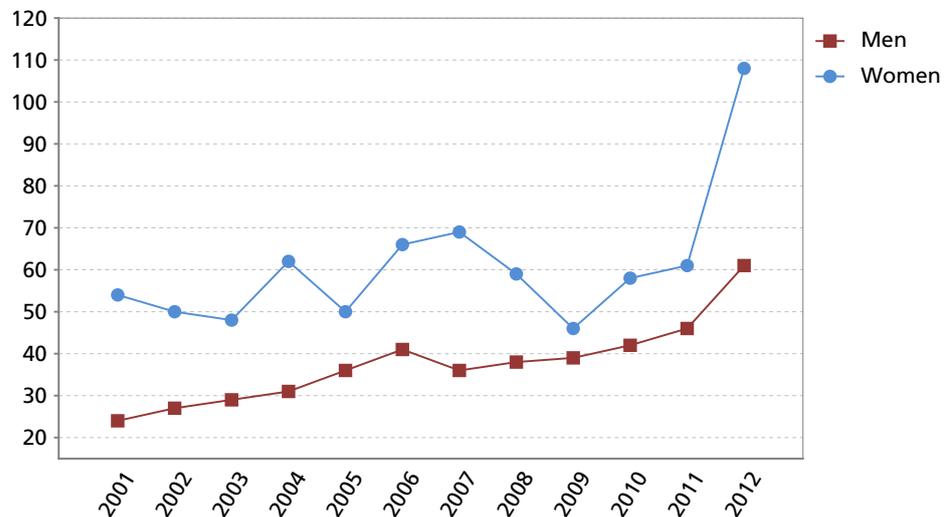
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	Employment (000)		
	Men	Women	Total
2012			
Call centres	61	108	169
Customer care	91	156	247
Total 2012	152	264	416

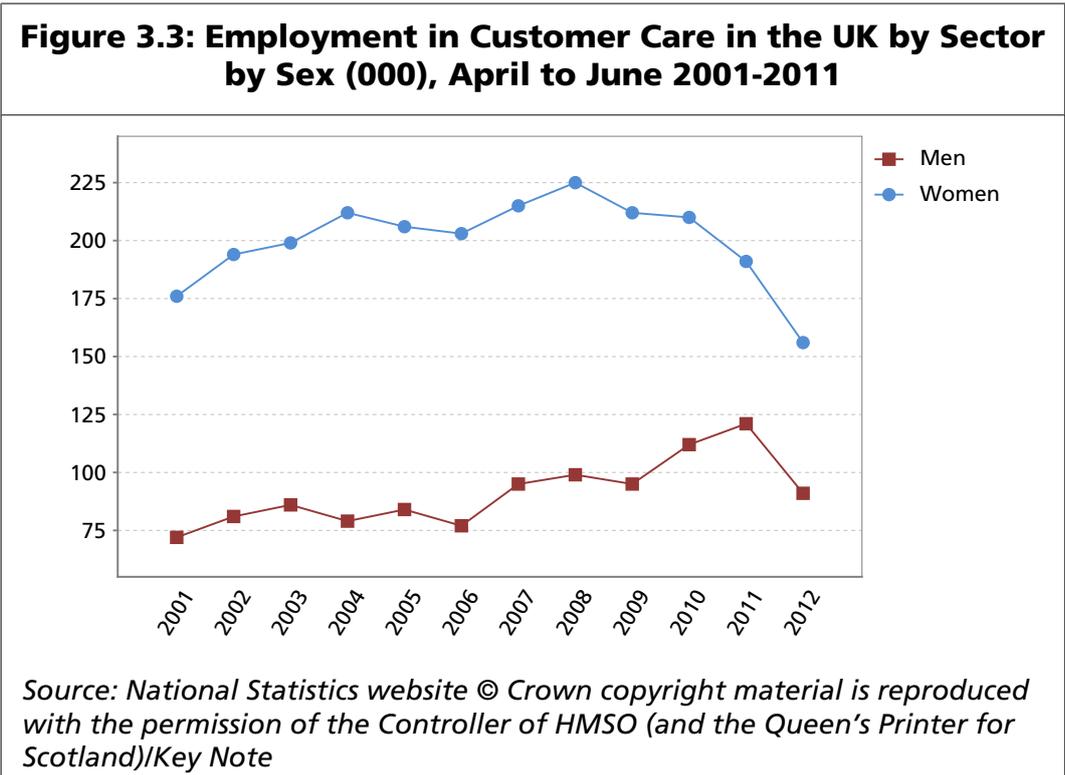
Note: totals may not sum due to rounding at source; totals may not match those found in Table 3.3 due to rounding.

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Figure 3.2: Employment in Call Centres in the UK by Sector by Sex (000), April to June 2001-2012



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In 2012, men accounted for 36.1% of all call centre employees, up from 31.2% in 2001. Meanwhile, the proportion of customer care roles filled by men in 2012 stood at 36.8%, up from 29% in 2001. These figures suggest that the call centre and customer care jobs market has continued to attract greater interest among male candidates in recent years, although women have continued to dominate in terms of employment numbers within this sector. It should be noted, however, that women accounted for a greater proportion of part-time roles when compared with men, with 41.7% of women holding part-time positions in call centres in 2012, compared with 16.4% of men. Similarly, 41% of women worked part time in customer care, compared with just under a fifth (19.8%) of men. This could be down to more women opting for part-time positions due to starting a family, looking after children or going on to participate in further education.

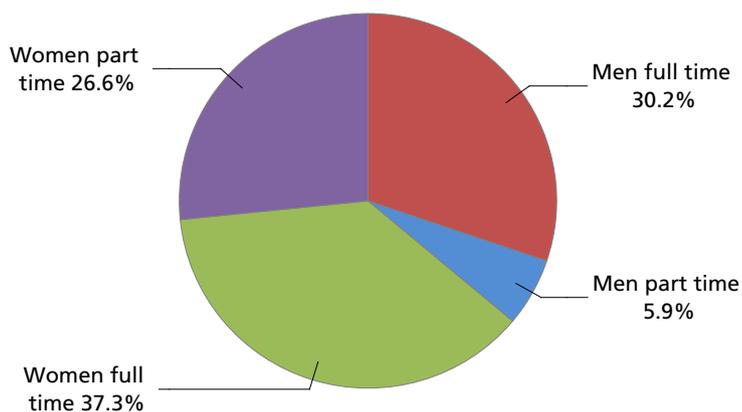
Table 3.3: Employment in Call Centres and Customer Care in the UK by Type of Contract by Sex (000 and %), April to June 2012

	Full Time		Part Time	
	Employment (000)	% of Total	Employment (000)	% of Total
Call centres				
Men	51	83.6	10	16.4
Women	63	58.3	45	41.7
Customer care				
Men	73	80.2	18	19.8
Women	92	59.0	64	41.0

Note: totals may not match those found in Table 3.2 due to rounding.

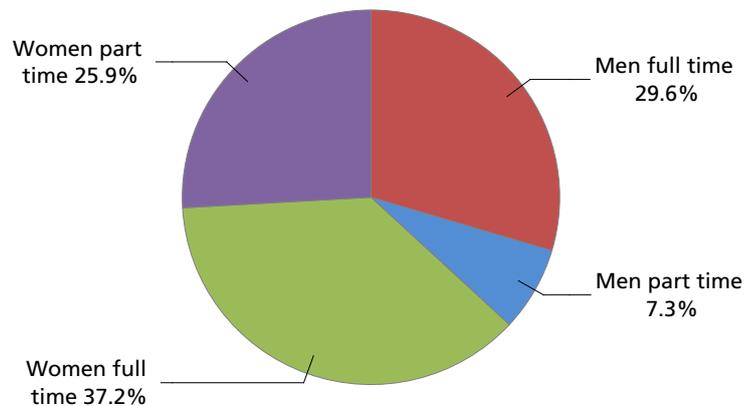
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Figure 3.4: Employment in Call Centres in the UK by Type of Contract by Sex (%), April to June 2011



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Figure 3.5: Employment in Customer Care in the UK by Type of Contract by Sex (%), April to June 2011



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Despite the 1.2% decline recorded by the ONS in terms of employees working at call centres and in customer care, data compiled by Incomes Data Source (IDS) in its 2012 survey *Pay and Conditions in Call and Contact Centres*, which included responses from 54 organisations, reveal that 41% of businesses registered growth in their workforce over the past year, around the same as last year. However, the majority of companies observed no change in employee numbers during the past 2 years.

HOME WORKING — BENEFITS AND BARRIERS

In recent years, a greater number of contact centre businesses have begun investing in a 'virtual' model. This can mean that agents are located across a number of different sites, either in their own home or in small offices throughout the country. The largest virtual contact centre operating in the UK is The Co-operative Travel Group's Future Travel division, which operates a network of around 630 home-based operatives. The move by The Co-operative towards a virtual contact centre model has provided a number of benefits, not only to staff, but also to the company. As Peter Healey, Technical Director of Future Travel, reveals:

"We've reduced staff churn by offering flexible home working to, for example, new mothers returning to work part time, or older people looking to reduce their hours but not yet retire. In the travel industry, an effective home working centre means that you keep valuable knowledge and experience within the company. Being able to add or reduce lines to fit peak booking times, such as evenings and weekends, means that we can plan capacity."

Other benefits that this type of virtual model provides to businesses include:

- allowing businesses to expand their contact centres without having to purchase new office space
- enabling contact centres to remain open beyond peak time hours, e.g. late at night or at weekends
- eliminating or reducing office costs and other administrative overheads
- reduced staff attrition, as businesses can recruit from a much wider pool of candidates, which can help to improve the quality of agents
- providing the ability to operate a multiple number of contact centres based in a variety of locations
- travel-to-work costs are eliminated for staff, which can be equivalent to a 15% increase in salary; home-based work also provides greater flexibility for employees wishing to work variable hours or on a part-time basis.

The implementation of a virtual contact centre model can result in significant start-up costs and can be a complex process, as it involves changes to infrastructure and upgrading technology and software in order to facilitate home-based workers. A recent survey undertaken by Jabra and analysis firm Frost & Sullivan in June 2012 — which questioned 250 contact centre managers in Great Britain, France, the US, the People's Republic of China (PRC) and India — revealed that 84% of managers saw the emergence of employing remote agents as the next big trend within the industry. Furthermore, 68% revealed that they believed employing remote agents would be the future of contact centres in their area.

Despite this, there remain a number of barriers to implementing a virtual model. According to the survey undertaken by Jabra and Frost & Sullivan, 96% of UK contact centre managers stated that the lack of everyday face-to-face communication with employees was a deterrent, while 70% cited slow Internet connection speeds as a weakness of this approach.

STAFF TURNOVER IN CONTACT CENTRES

Staff attrition rates, that is the rate at which staff leave, are notoriously high in the contact centres industry, at around 20%. However, this figure is thought to have reduced slightly in recent years, with more people keen to hold onto their jobs during the ongoing economic downturn, which caused unemployment to soar.

The main reasons for high staff attrition rates in the UK within the contact centres market is down to many employees taking roles within such businesses as stop-gaps or short-term fillers, with many staff thought to be graduates who are likely to leave once their studies are finished or when a more permanent, career-driven role has been found. High attrition rates can have a significant effect on a contact centre's effectiveness and can result in a lack of consistency and loss of quality customer service. For example, according to recruitment firm Hays' recent 2011 report *Gearing for Change: Salary and Benefits Guide*, 54% of contact centre organisations expected to encounter a shortage of experienced applicants when recruiting staff.

High staff turnover can also have a significant impact on business costs, with the Chartered Institute of Personnel and Development (CIPD) revealing that the average cost for replacing staff is around £6,125, rising to £9,000 for senior managers. As a result, many contact centres have tried to retain the staff that they have by extending their range of staff benefits. According to the 2011 study undertaken by recruiter Hays, one of the most effective staff benefits for attracting and retaining staff is the provision of overtime or time off in lieu for working extra hours, with 71% of employers rating this as an important factor in reducing staff attrition. From an employee's perspective, the provision of a flexible working scheme was also highlighted as important, with nearly nine in every ten jobseekers within the contact centres industry agreeing that this was the case — although this compares with less than half (49%) of contact centres that actually offered flexitime or home working, while 12% revealed that flexible working was only offered to staff that were parents or carers. Furthermore, nearly a third (34%) of employers raised concerns over unrealistic salary expectations among employees. Other benefits offered by contact centres to staff included free or subsidised gym membership (19%); generous discounts on products and services (45%); and a joining bonus during the employees' notice period (5%).

Despite the high attrition rates observed within the contact centres market, the majority of businesses find it relatively easy to recruit new staff, with around 70% of companies reporting that hiring staff had not been a problem over the past year, according to survey data collated by IDS. This is up from last year, when 61% of respondents revealed that they had no problem in recruiting new employees and is nearly up to the same level of 72% as observed in 2009/2010. The ongoing economic difficulties and the recessions of 2008/2009 and 2012 have resulted in high unemployment and therefore greater demand for jobs, particularly among younger people.

SALARY

According to a report undertaken by recruitment consultancy Hays, the highest wages across the contact centres market were in resource planning in the support sector, with those in London and Northern Ireland earning a typical annual salary of £26,000. Employees living in London were able to negotiate higher salaries for inbound call handlers, where the typical wage was £18,000. This compares with £15,500 at the lower end of the pay scale on the South coast in England. However, those handling outbound calls were found to have higher wages across the industry, with salaries ranging from £20,000 per annum in London to £16,500 on the South Coast.

Cost-cutting measures undertaken by outsourcing businesses during the recession has had a small effect on permanent employees' wages over the past couple of years; although this has been more noticeable among temporary workers, which have observed a drop in hourly rates, according to Hays. The report undertaken by Hays also reveals that multilingual candidates continued to outperform their peers, following increased demand for employees that speak several languages, driven by international growth and cross-border trading. Greater demand for Cantonese and Mandarin-speaking candidates has increased in recent years, while a small number of companies have sought to employ Arabic and Japanese speakers.

At managerial level, wages in London and the South East are thought to be slightly higher, due to the increased number of international businesses with headquarters in and around the City. According to Hays, candidates can negotiate salaries up to £120,000 in the South East and London, and up to £100,000 in Essex, East Anglia and the Home Counties, for executive or strategic roles. In comparison, staff in senior roles in the North West and Yorkshire can earn upwards of £70,000 for contact centre management positions.

Table 3.4: Typical Salaries Within Contact Centres in the UK by Region by Type of Job (£), 2011

	Telesales and Telemarketing		Support		Customer Services		
	Inbound	Outbound	Trainer	Resource Planner	Upselling	Call Handler	Back Office
London	18,000	20,000	24,000	26,000	20,000	18,000	17,500
South coast	15,500	16,500	22,000	22,000	16,500	15,500	13,500
Essex & East Anglia	16,500	17,500	22,000	24,000	16,500	15,500	14,000
Home Counties	17,000	18,000	22,000	24,000	16,500	15,000	14,000
South West	16,500	17,500	21,000	24,000	16,000	15,000	13,500
Midlands	16,500	17,500	22,000	24,000	16,000	15,000	13,500
North West	17,000	19,000	21,000	24,000	16,000	15,000	13,500
North East	16,000	17,000	21,000	22,000	14,000	13,000	12,800
Yorkshire	16,500	18,000	21,000	22,000	14,000	13,000	12,800
Wales	16,500	17,500	21,000	23,000	16,000	14,500	13,500
Scotland	16,500	18,000	22,000	24,000	16,200	15,000	13,500
Northern Ireland	17,500	19,500	24,000	26,000	16,500	15,000	14,000

Source: *Gearing for Change: Salary and Benefits Guide, 2011* © Hays

According to IDS' annual *Pay and Conditions in Call and Contact Centres* survey published in 2012, despite ongoing economic difficulties, call centre workers experienced a median pay increase of 2% in the year ending June 2012, compared with a median increase across the whole economy of 2.6% over the same period. Pay freezes in the public sector are thought to be having a downward influence on the median, however, although increases in private-sector call centres were lower than the private sector as a whole, at 2.5% compared with 3%.

The effects of the recession have not had a significant impact on employment within the contact centres market, with Hays revealing that managerial level positions were relatively static over the past couple of years. Supervisory and mid-management roles saw some change, with several employers able to reduce costs by revising salaries downwards during the economic downturns, reflecting heightened competition among jobseekers. In contrast, staff with special skills — such as resource planners, analysts and dialler managers — were thought to have the greatest opportunities for negotiating on pay; while team leaders and managers in collections teams were also in demand.

Government spending cuts and redundancies within the public sector over the past few years has been a worry for the industry; however, so far, these events have not been seen to have had a significant effect on contact centre staff working within the public sector, possibly as many of these employees are frontline workers and thus more likely to be protected. Nevertheless, going forward, many public-sector organisations are thought to be considering mergers as a way of reducing costs, while fewer public-sector employers are hiring interim staff, instead relying on existing managers to pick up extra project work. In the private sector, however, interim managers are thought to be faring better.

TRAINING

Although working conditions in contact centres are understood to have improved in recent years following efforts to provide better customer service and a more professional workplace, along with giving employees more opportunities for progression within their company, the industry still has a bad reputation for having high staff turnover and poor staff concessions.

According to a survey undertaken by public service union Unison in June 2012, almost a quarter of call centre workers have had their toilet breaks restricted, while seven out of ten reported eye strain and 80% said that their work caused them to feel stressed. Another study carried out by the University of Durham in August 2011 into conditions in contact centres in the North East — where around one in 20 people are employed as call agents — found that, although the majority of workers were found to be content with their conditions, a large proportion complained about the low rates of pay and lack of opportunities for promotion and advancement, with many labelling such jobs as 'dead ends'. To this end, some call centre workers have even opted to stage protests, with civil service call centre staff going on strike in April 2011 after labelling their working conditions in the public sector as 'dark satanic mills'. According to the workers' regional union secretary, the reason for the strike included employees being over-worked, overly monitored and forced to try and meet arbitrary targets. However, the workers' employer, the Department for Work and Pensions (DWP) labelled the walkout 'cynical' and underlined the fact that only a minority of staff had supported it.

A number of companies have aimed to improve the level of professional training that they provide staff in order to increase the levels of staff that they retain and, hence, reduce attrition. However, although 83% of jobseekers revealed that they wanted to work for a company that invests in their training and development, only 10% of employers actually offered this particular benefit, according to Hays' annual report *Gearing for Change: Salary and Benefits Guide 2011*.

The rising importance of providing good customer service through contact centres in the UK has resulted in many employees opting to invest significantly in the provision of staff training. The increasing number of channels through which staff communicate with customers has also meant that it has become necessary to provide training over multiple communications channels, including the Internet, e-mail and fax; while the installation of Internet Protocol (IP) integrated staff interfaces has meant that demand for staff with good technological skills has risen. The level of service provided by contact centre staff has also expanded significantly in recent years, with many employees providing highly technical and sector-specific advice to customers, thus necessitating a high level of skill and training among staff. According to Skills CFA, the average call centre operative receives 12 days of training a year, with 50% more training provided to outbound call agents.

A range of vocational and knowledge-based qualifications can also be taken to supplement call centre operatives' skills. Professional training body Edexcel supplies National Vocational Qualifications (NVQs) and competence-based qualifications through the Qualifications and Credit Framework (QCF) on contact centres, as well as Business and Technology Education Council (BTEC) specialist and short-course qualifications for contact centre supervisory skills. Skills CFA has also drawn up a list of contact centre National Occupational Standards, which are designed to be used in the contact centres market, as well as QCF units, which are designed to cover a wide range of skills and further knowledge for call centre operatives. A small number of universities, such as Teesside University and the University of Greenwich, have even begun to offer foundation degrees in contact centre management and customer service.

4. In-House and Outsourcers

INTRODUCTION

In-house contact centres are offshoots of specific departments within a wider company and are responsible for day-to-day communications with customers. They usually fulfil administrative functions; provide advice to callers; and/or process payments. Some of the companies with the largest in-house call centres include Direct Line, Lloyds TSB and Barclaycard. A number of companies have also developed into outsourcing contact centre businesses after starting off as in-house operations; for example Vertex Data Science, which used to be part of United Utilities, and Ventura, the third-party customer services management division of Next PLC. In July 2011, business process outsourcing (BPO) giant Capita Group — which currently holds a number of contracts with Central and Local Government and across the private sector — revealed that it had acquired Ventura, before going on to purchase Vertex's private-sector business in September 2011.

The UK contact centres market is dominated by in-house specialists, with around 65% of the industry thought to be accounted for by in-house call and contact centres. Since the beginning of the 21st Century, however, this sector of the market has been affected by the increasing number of companies opting to use BPO firms or outsourced contact centre businesses based overseas, which are often cheaper and provide ready-made contact centre solutions and basic training for call centre operatives.

OUTSOURCING

Outsourcing customer communications to out-of-house contact centre specialists can be extremely beneficial to certain companies, as outsourcers often provide a high level of customer service and already have significant experience in operating a successful contact centre business. Outsourcing call centres also helps to reduce staff, facility and infrastructure costs; increases service levels and response times; improves customer service; and drives profit. Despite this, many customers have a negative opinion of outsourcers and some businesses can be reluctant to outsource their customer service operations for fear that knowledge, particularly pertaining to specific in-house operations, would be lost in doing so.

In October 2012, Deloitte and callcentre.co.uk undertook a survey of 150 industry specialists, including outsourcers and client organisations, in order to investigate specific concerns regarding outsourcing within the contact centres industry. The survey found that over 90% of client organisations described their relationship with their outsourcer as a partnership or strong relationship. One of the main drivers for outsourcing was the increased flexibility and scalability that it provides, with 70.9% of client organisations agreeing that this was the case. Cost reduction (55.5%) and improvements to customer service (48%) were also rated as important reasons for outsourcing.

The majority of contact centres were found to be comfortable in outsourcing traditional contact channels, such as telephony services. However, despite most client organisations stating that they would consider outsourcing responses provided via social media, only a few companies had actually done so. This could be because companies prefer to retain a social media presence in-house, where it can be better controlled and managed — something that can be particularly important in the case of a possible public relations (PR) disaster. Nevertheless, increasingly more outsourcers are including social media communications as part of their provision nowadays, which suggests that demand for such services could increase in the near future. Client organisations were also found to be protective over their sales-related activities, including telesales, marketing and online sales, with many companies opting to keep such activities in-house instead.

The survey undertaken by Deloitte and callcentre.co.uk revealed that multi-sourcing — that is using a variety of outsourcers — was also popular among client organisations, with 75% of respondents using more than one supplier. It is thought that this figure could decrease over the next few years as larger companies look to save costs by consolidating their outsourcing contracts.

The majority of client organisations rated data security as the most important factor taken into consideration when choosing an outsourcer, with all respondents agreeing that this was the case. Experience in the field (90.5%), ability to recruit (90%) and the quality of contact centre environment (85%) were also rated highly by client organisations. In contrast, the location of an organisation (45%), corporate social responsibility (CSR [45%]) and the size of an organisation (30%) were less likely to be taken into consideration by companies when choosing an outsourcer.

**Table 4.1: Important Factors When Choosing an Outsourcer
(% of client organisations), 2012**

Data security	100.0
Experience in field	90.5
Ability to recruit	90.0
Quality of contact centre environment	85.0
Investment in staff	85.0
Experience of senior management team	81.0
Experience in industry sector	80.0
Price	80.0
Investment in technology	80.0
Business continuity/disaster recovery arrangements	80.0

Table continues...

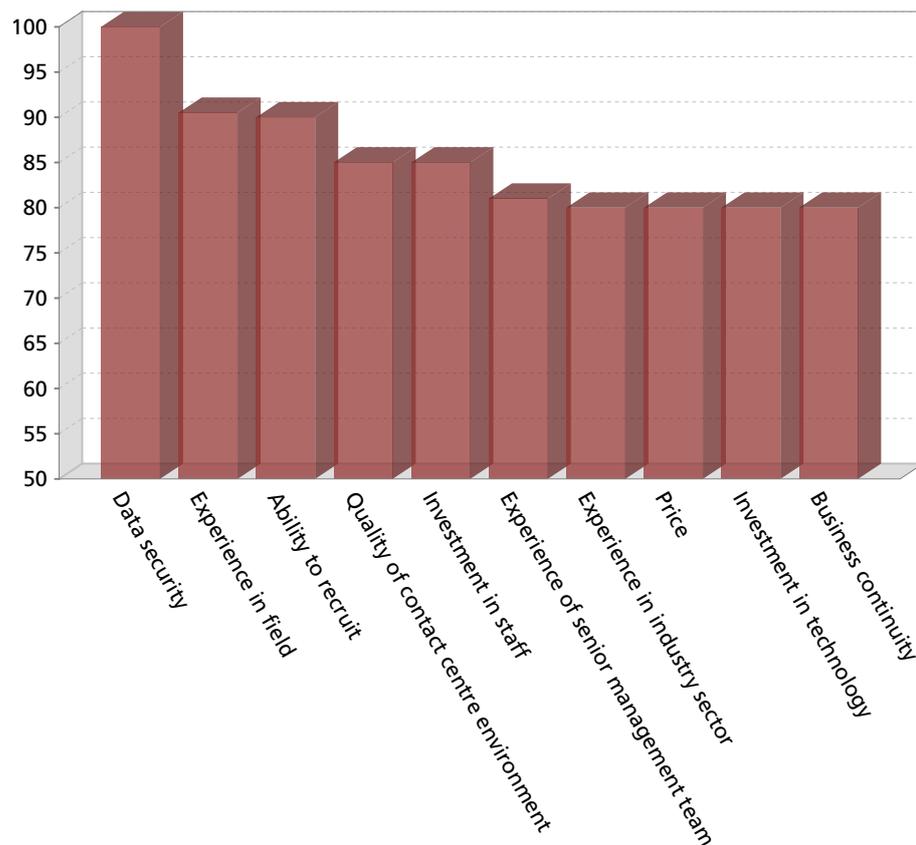
Table 4.1: Important Factors When Choosing an Outsourcer (% of client organisations), 2012

...table continued

Client testimonials	65.0
Scalability	60.0
Accreditations/adherence to industry standards	55.0
Location of organisation	45.0
Corporate social responsibility	45.0
Size of organisation	30.0

Source: Deloitte and callcentre.co.uk

Figure 4.1: Top Ten Factors When Choosing an Outsourcer (% of client organisations), 2012



Note: business continuity includes disaster recovery arrangements.

Source: Deloitte and callcentre.co.uk/Key Note

The majority of client organisations questioned by Deloitte and callcentre.co.uk believed that it took over 6 months for outsourcers to achieve a satisfactory result, with around 60% of respondents agreeing that this was the case, suggesting that it can take some time for optimal performance to be achieved when outsourcing. However, over 40% of outsourcers surveyed revealed that added value was reached in the first 3 months of a new partnership.

The study carried out by Deloitte and callcentre.co.uk also identified a number of trends tipped for the future. Demand for outsourcing is expected to be high in sectors such as retail; technology and telecommunications; retail banking and insurance; and business services. Limited growth is forecast for the manufacturing, travel and transportation, and media sectors. It was also found that price pressures are becoming an increasing area of concern for outsourcers following the economic recession, suggesting that out-of-house organisations will need to remain competitive in terms of price in order to achieve market share. The number of outsourcers seeking to widen the number of communications channels that they service is likely to increase in the future, with many expected to invest in online channels such as web chat, social media and smartphone integration over the next couple of years.

CUSTOMER SERVICE

In November 2012, UBM announced the results of its annual study into the top 50 contact centres based in the UK, which are ranked according to the level of customer service that they provide. The survey takes into account a variety of communications channels, including e-mail, web chat and telephony services. Dignity Caring Funeral Services, which is a market leader in the insurance and financial services sector industry, achieved the highest overall score at 95.6% and came top in the Best in the Insurance & Financial Services Sector and Best Small Centre categories. Clothing firm Charles Tyrwhitt came second, with an overall score of 95.31%, followed by express parcel delivery firm DPD, which was given a score of 94.68%.

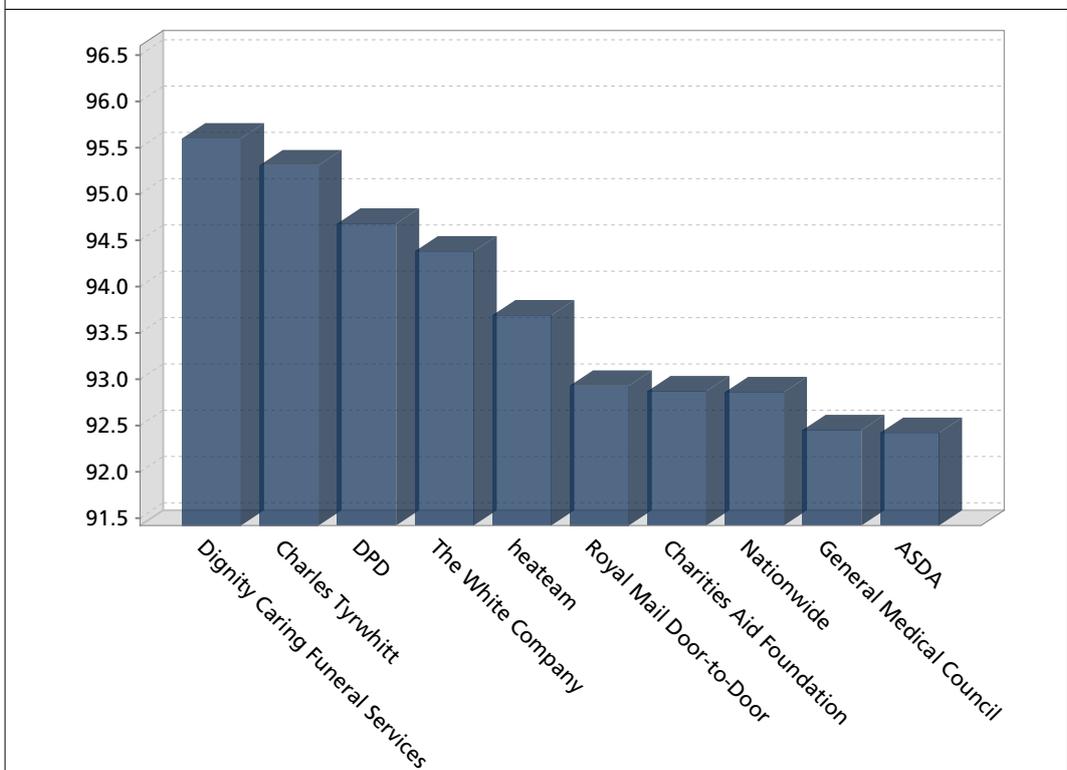
Within the banking and finance sector, Nationwide came out top with a score of 92.86% — more than 5 percentage points higher than the industry average score. In the public sector, the General Medical Council (GMC) led with 92.45% and, in the travel industry, Best Western Hotels led, with a score of 91.72%. E-retailer Charles Tyrwhitt was also scored as a provider of the Best Webchat Services; while Royal Mail Door-to-Door was rated as the Best E-mails Communicator.

Further data collated by UBM during its investigation into the top 50 UK call centres by customer service revealed that 96% of customers found that they got through to call centre operatives on the first attempt; with 96% also agreeing that they felt their enquiry was completely resolved. The number of customers put on hold had also fallen by half from 2009, to just 9% in 2012, with only 3% of all calls being transferred. On top of this, 73% of customers that used call centres included in the top ten revealed that their call had enhanced their perception of the brand.

Table 4.2: The UK's Top Ten Call Centres for Customer Service (% score), 2012

Rank	Company	Sector	Score
1	Dignity Caring Funeral Services	Insurance & financial services	95.60
2	Charles Tyrwhitt	E-retailers	95.31
3	DPD	Service providers	94.68
4	The White Company	E-retailers	94.38
5	heateam	Service providers	93.69
6	Royal Mail Door-to-Door	Service providers	92.93
7	Charities Aid Foundation	Public sector	92.87
8	Nationwide	Banking/finance	92.86
9	General Medical Council	Public sector	92.45
10	ASDA	Retail	92.42

Source: Top 50 Call Centres for Customer Service © UBM

Figure 4.2: The UK's Top Ten Call Centres for Customer Service (% score), 2012

Source: Top 50 Call Centres for Customer Service © UBM/Key Note

5. Marketing and Outbound Calls

INTRODUCTION

Contact centres that specialise in telemarketing are generally outbound in nature, with calls to customers focusing on sales or participation in marketing surveys. Around 12.5% of call centres are dedicated outbound call centres and only 16% of call operatives are thought to carry out outbound calling in the UK, suggesting that this is still a relatively small area of the overall market.

Customers have become increasingly wary of receiving calls from both telemarketers and telesales firms in recent years following a rise in the number of scams among such companies, as well as increased concerns over identity theft. Outbound calls or cold calling can often be intrusive to customers, as they are often made during out-of-work hours in the evening. The use of auto-diallers, which automatically phone a list of customers, and calls that use pre-recorded sales messages can also be frustrating to consumers and can, as a result, serve to damage brand image and reputation. Nuisance callers, such as accident at work and no win no fee companies, along with those involved in payment protection insurance (PPI) claims, have also caused rising frustration among customers, with some consumers even going so far as to sue such businesses for time wasting.

The outbound sector is tightly regulated and efforts have been made to curb the level of calls received by customers in the UK; people can also sign up to the Telephone Preference Scheme (TPS) to opt out of receiving any sales calls. Currently, over 15 million telephone numbers in the UK (approximately 60% of households) are signed up to the TPS.

OUTBOUND ACTIVITY

Key Note estimates that around 12.5% of call centres based in the UK primarily deal with outbound calling, while the largest proportion (39%) operate a mixture of both inbound and outbound activities. Those companies that do process outbound calls are primarily engaged in telesales or telemarketing activities. According to figures compiled by the Office for National Statistics (ONS) in Q2 2012, there were 41,000 people employed as telephone salespeople, the majority of whom were men (51.2%), along with 11,000 market research interviewers. Major vertical markets that operate outbound call centres include outsourcers, and insurance and financial services companies.

Although outbound activity within call centres still represents a relatively small proportion of the overall market, this particular sector of the market has been growing in recent years, following the increased uptake and importance of customer relationship management (CRM) tools, such as databases that hold vital information about possible target markets and audiences. This has led to a greater proportion of call agents dealing with outbound calls in order to contact existing clients.

Call Blending

Call blending is an element of outbound calling which involves agents participating in both inbound and outbound calls. This can help contact centres to better regulate both inbound and outbound calls and can thus result in 'increased agent productivity, streamlined staff and improved customer service', according to callcentrehelper.com.

Furthermore, the increasing number of people that are now very wary of telesales or telemarketing calls can be circumvented by utilising an up-sell or cross-sell opportunity following interest registered during an inbound call. This particular method should be implemented with care so as not to detract from building a solid and positive customer relationship.

Call blending is used in around 39% of UK contact centres, the majority of which are larger organisations that possess the facilities and staff numbers to deal with a large call volumes — both inbound and outbound. Most organisations that utilise call blending do so in order to increase productivity; for example, by switching to outbound calling when inbound calls are low. Various types of call centre technology can be used to facilitate this particular strategy, such as computer telephony integration (CTI) — which prompts scripts for outbound calls to run on specific terminals — and automatic call diallers, although the former should be used with care in order for companies to comply correctly with legislation, as governed by Ofcom (see later in the Chapter for further information).

Although call blending can result in increased productivity and improved customer service, research from callcentrehelper.com shows that if this particular type of strategy is not handled correctly it can lead to a reduction in customer satisfaction by 10% to 15% and a fall in employee satisfaction by 20% to 20%. This suggests that companies need to be careful when recruiting staff and must ensure that training is provided to ensure both inbound and outbound calling can be carried out in an efficient manner. Companies may also consider splitting their workforce into three main groups — inbound, outbound and call blending — in order to deal with incoming and outgoing calling in the most efficient way.

A Multichannel Strategy

The increasing number of channels now used by contact centres, such as e-mail, direct marketing material, text messaging and social media, has driven the necessity of utilising a multichannel strategy encompassing a variety of media. Although these types of channels may not provide the best sales portal, they can be used extremely effectively in the dissemination of an integrated and consistent marketing campaign.

The rising uptake of mobile devices, such as smartphones and tablet computers which can connect to the Internet and thus provide access to a range of communications tools such as e-mail and social networking, has also increased the necessity of multichannel strategies, which incorporate the changing way in which consumers now handle and access data. Despite this, a recent study undertaken by Silverpop in April 2012 revealed that there was a clear breakdown when it came to actual integration within marketing programmes, with only 13% pursuing an integrated campaign across mobile, social media and e-mail. The way in which businesses handle data received via interactions from social networking sites and the way in which such sites are in turn used to disseminate marketing campaigns has also caused problems among businesses, with only a small number of companies actually bothering to evaluate the frequency and reach of consumer engagement across these channels. These indicate a clear need for correct and efficient social media and multichannel marketing campaign management, as well as clear and concise return on investment (ROI) tools. While ROI is often difficult to calculate in terms of assessing the success of a particular marketing campaign across a variety of channels, this area of the industry has continued to improve and is likely to continue to do so over the next few years as the popularity of mobile communication channels increases.

LEGISLATION

Contact centres that engage in outbound calls are tightly regulated in the UK, following a rising number of customer complaints to communications industry regulator Ofcom concerning cold calling, which can often be frustrating and annoying to customers. The following provides further details of the legislation currently in place to protect customers from misuse of electronic communications and nuisance callers (including communications transmitted via fax and text).

Ofcom

Tackling Abandoned and Silent Calls

Ofcom is the regulator for the communications industry within the UK. Part of the organisation's remit is to oversee the compliance of the Communications Act 2003, which stipulates that companies are guilty of an offence if they persistently use the public electronic communications network to make calls which cause annoyance, inconvenience or needless anxiety to individuals. In 2010, Ofcom published new guidelines on tackling persistent nuisance calls, including abandoned and silent calls, as well as unsolicited marketing calls which do not include live speech and those that fail to present calling line identification (CLI) that is valid or accurate. Abandoned calls refer to calls where the connection is established but terminated by its originator in the circumstances where the call is answered by a live individual; while silent calls refer to calls where the recipient hears nothing on answering the phone and has no means of establishing whether anyone is at the other end. Both types of calls are deemed by Ofcom to cause annoyance and inconvenience to customers.

The majority of these types of calls are thought to be the product of automated calling systems (ACS), such as predictive or power diallers used by contact centres, which are programmed to generate and attempt to connect calls. However, if there are not enough call centre agents to take such calls, the recipient may receive silent or abandoned calls or could be played an automated message.

Ofcom also closely monitors the usage of answer machine detection (AMD) technology, which is sometimes used in conjunction with ACS. AMD technology disconnects calls made to answer machines before they are put through to call centre agents — this is significant as around 30% to 50% of all outbound calls are made to answer machines — thus increasing the efficiency of a contact centre. However, the use of AMD technology can lead to ‘false positives’, where a call is falsely identified as being answered by an answering machine, when in fact it has been answered by a live person. This can result in an abandoned call and thus can be a source of stress for the recipient. The detection of an answer machine by AMD technology can also lead to repeat silent calls over a short period of time as the ACS retries the number, leading to the consumer receiving several silent calls a day.

Ofcom governs policy over the use of such technology and the delivery of outbound calls with the aim of tackling the level of abandoned and silent calls received by customers. Under the organisation’s 2008 *Revised statement of policy on the persistent misuse of an electronic communications network or service*, Ofcom set out a number of policy guidelines pertaining to this subject matter, which outbound call centres must comply with:

- abandoned call rates should be no more than 3% of live calls calculated per campaign (i.e. across call centres) or per call centre (i.e. across campaigns) over any 24-hour period and shall include a reasoned estimate of AMD false positives
- any call made by the called person to the contact number provided shall not be used as an opportunity to market to that person, without that person’s consent
- calls which are not answered must ring for a minimum of 15 seconds before being terminated
- for each outbound call, a CLI number should be presented to which a return call may be made which is either a geographical number or a non-geographic number adopted as a presentation number, which satisfies Ofcom’s guidelines pertaining to presentation numbers
- in the event of an abandoned call, a very brief recorded information message must be played which contains information such as the identity of the company on whose behalf the call was made; details of a no charge (0800) or special services basic rate (0845) number the called person can contact so they can opt to decline to receive further marketing calls from that company; and no marketing content
- records should be kept for a minimum period of 6 months that demonstrate compliance with Ofcom’s rules

- when an abandoned call has been made to a particular number, any repeat calls to that number in the following 72 hours may only be made with the guaranteed presence of a live operator.

In 2010, Ofcom once again revised its policy regarding outbound calls made from telemarketers and telesales personnel, particularly that governing AMD equipment. Under the revised guidelines, outbound callers must ensure that when a call is made and identified by AMD equipment as being picked up by an answering machine (including false positives), any repeat calls to that specific number within the same 24-hour period may only be made with the guaranteed presence of a live recipient. The new policy was brought into force on 1st February 2011. Ofcom also has the power to fine repeat offenders of the policy rules regarding silent and abandoned calls up to £2m.

Despite Ofcom's efforts, the organisation's most recent *Consumer Concerns Omnibus Survey*, undertaken in September 2012, revealed that 40% of all adults had received silent calls (via landlines and/or mobile phones) and 40% had received a marketing text message to which they had not opted in to receive. Overall, 62% of all adults had received live marketing calls, i.e. where a call centre operative had attempted to sell them a particular service or product.

Privacy and Electronic Communications Regulations 2003

The Privacy and Electronic Communications Regulations cover a range of rules governing the way organisations send direct marketing by electronic communications channels, including texts and faxes. Under these rules, organisations are not allowed to send marketing text messages that customers have not agreed to receive, unless:

- the customer was given an opportunity to opt out of texts when their details were collected and, if they did not refuse, were given a simple way to opt out of all text messages received
- the messages refer to similar products or services offered by the sender
- the sender has obtained the customers' details through a sale or negotiations for sale.

The Regulations also govern marketing material sent via fax and stipulate that organisations should not send any marketing faxes to businesses or individuals who have registered with the Fax Preference Service (FPS).

The persistent sending of unsolicited marketing text messages and/or faxes and any breaches of the above rules are governed by the Information Commissioner's Office (ICO) and PhonepayPlus, which regulates products or services such as competitions, television voting, helplines, adult entertainment, downloads, news alerts and interactive games that are charged to users' phone bills or pre-pay accounts.

6. Contact Centre Software and Technology Solutions

INTRODUCTION

One of the most important aspects within a contact centre business is the correct implementation of an efficient infrastructure, which includes: a telecommunications network such as a private branch exchange (PBX) or Internet Protocol (IP) system; hardware components, i.e. a computer network, automated calling systems (ACS), computer telephony integration (CTI) technology and answer machine detection (AMD) equipment; and a range of software, such as customer relationship management (CRM) tools — which allow agents to gather information on the incoming caller — and workforce optimisation tools, such as call recording solutions and interface analytics.

TELECOMMUNICATIONS NETWORK

Traditionally, contact centres have used a PBX telephone network, which allows users to share a number of outside lines for making external phone calls or receive incoming queries; PBX networks also connect internal phones within a company and connect them to the a public switched telephone network (PSTN). This particular type of telecommunications infrastructure also runs alongside a packet-switched network, which sends any pertinent data — such as customer records — to the call agent, alongside an incoming call.

In recent years, however, a growing number of contact centres have begun to invest heavily in implementing an IP-enabled system, which uses Voice over Internet Protocol (VoIP) technology to extend functionality to other branch offices, satellite locations or home workers. IP-enabled systems also allow real-time communications to occur and convert voice traffic into digital packages that travel over networks via the Internet. Other IP-enabled system capabilities include:

- adaptable call handling to allow customisable call routing
- call routing based on customer database information
- call routing to agents depending on their skill set
- centrally managed console for management of varied locations and agents
- configurable telephony user interface
- providing screen pop-up boxes for incoming calls
- real-time displays of call centre activity to chart performance
- the ability to generate reports on call history and forecasts of staff requirements

- the ability to transfer calls across wide geographical regions
- the provision of a variety of VoIP business tools, which can be unified within user interfaces.

IP-enabled systems can often be beneficial and can work to save costs and increase staff efficiency and the management of inbound calls. They can also facilitate home working and even virtual contact centres by providing a wide geographical network and can satisfy customer requirements more effectively using skills-based call routing. IP-enabled systems are also relatively easy to deploy across a business and can be used in conjunction with traditional telephony networks.

According to a study undertaken by VoIP experts Telappliant in June 2012, IP technology is currently being used by more than 40% of UK businesses in order to reduce telephony costs and improve efficiencies, with a further 25% of businesses revealing that they have plans to review and implement VoIP systems within the next 12 months. Larger businesses with staff numbers of between 100 to 500 people are currently embracing VoIP technology much faster than smaller enterprises, most likely due to the implementation costs involved; however, the introduction of hosted VoIP solutions could help a number of smaller firms to switch to IP telephony in the future.

The growth of the multichannel contact centre has also necessitated increased investment in IP-enabled networks, which can transfer data over a variety of communications channels, such as Web chat, e-mail, text messages and social media. This has led to a rising number of companies installing unified communications (UC) systems and user interfaces within their businesses. UC refers to the combination of a variety of communication channels, i.e. voice, video, e-mail and instant messaging (IM), and the communication between client and call centre agent via the most appropriate channel. UC provides a number of benefits to contact centres, in that it enables a more convenient way of transferring callers to the appropriate call centre agent — which can be particularly useful to customers with specialist requests — while it also allows customers to contact an agent using a variety of communications channels, thus providing convenience and improved brand presence. Despite these benefits, the adoption of UC within the UK has remained low, although growth has been increasing slightly in recent years.

HARDWARE COMPONENTS

The provision of operational hardware is extremely important in the day-to-day running of a contact centre. Hardware can include a range of products from headsets, computers and telephones to more sophisticated equipment, such as ACS, CTI technology and AMD equipment. Hardware purchases usually constitute the lowest upfront costs in the setup of a contact centre, although expenditure on such items is necessary in order to achieve consistent efficiency and to facilitate call agents' daily responsibilities.

CRM AND SOFTWARE SOLUTIONS

A range of CRM software solutions are available to contact centres. While some companies use on-premise software, in recent years, increasingly more companies have opted for a 'hosted' service, also known as software-as-a-service (SaaS) solutions, such as those provided by Salesforce.com and Oracle. The majority of large software solutions companies that supply the contact centre industry have recently begun to broaden their product range to include cloud-based solutions. Cloud-based solutions have a number of benefits in that they help to bring together companies with multiple sites, including home workers. In this way, cloud technology can often facilitate the development of a virtual contact centre. Software supplied via the 'cloud' can also help to save money, with many packages offering a pay-as-you-go financial model, while also lowering capital expenditure on in-house computer servers and other storage hardware. Not only this, but cloud-based solutions often make it easier for companies to integrate new business applications within their contact centre and can improve the disaster recovery of customer information and data stored by companies.

The sections below describe in detail some of the CRM and business software solutions currently utilised and available within the contact centre industry.

Call Recording

Over the past decade or so there has been increasing demand for call recording solutions within contact centres, in a bid to improve customer service and call quality, while also ensuring that data protection and Payment Card Industry Data Security Standards (PCI DSS) are met. The vast majority of contact centres have implemented call recording technology across their businesses, with the highest penetrations observed within the finance, technology, media and telephony (TMT) outsourcing, and services sectors, particularly among larger centres, according to Skills CFA. Sophisticated call recording technology can detect patterns and anomalies, thus allowing companies to locate any wrongdoing within their business and improve customer service. Call recording can also ensure that agents follow the correct scripts and procedures when processing transactions via the telephone and can help companies to deal more effectively with complaints or problematic customer queries. By monitoring calls, contact centres can also collate data on the quality of calls and the time taken to deal with income queries, which can also lead to improvements in training going forward.

Dynamic Scripting

Dynamic scripting is used by a large number of contact centres and helps agents to guide inbound conversations through the call in order to reach the desired solution. This type of scripting is useful in that it provides information to the call centre operative dependent on the type of enquiry, while it also helps to supply agents with information pertaining to data protection, which is particularly important among those companies that process monetary transactions via the telephone. Using dynamic scripting can have a number of benefits, as it helps to ensure a consistent and efficient call handling process and customer service experience. It can also reduce the average time take to handle a call, as well as call transfer rates.

Nearly one-third of contact centres based in the UK use dynamic scripting on a frequent basis, although the majority of businesses do not utilise this type of software or only use it some of the time. This relatively low penetration could be down to the fact that using scripting can sometimes result in a very fixed and inflexible mode of conversation when talking to customers. While the use of scripting can be vital sometimes, particularly when reading out terms and conditions or payment information, it can also produce a rigid structure when conversing with clients, which many customers do not appreciate. One solution to this could be the use of flexible scripting options, which describes a general conversation structure, including introductions and reminders regarding vital information, but also allows the call agent to use their own initiative, i.e. in identifying the customer's needs and locating any opportunities for a 'sell'. This method helps to drive employee initiative and can also help to improve customer service and employee morale.

Interaction Analytics

Interaction analytics solutions help contact centre businesses to decipher the large volume of calls that are placed in order to gain strategic insights concerning factors such as: customer satisfaction; the popularity of certain products or services; the reason behind call spikes; and the effectiveness of a recent marketing campaign. Interaction analytics can include a variety of different solutions, such as speech analytics or 'audio mining', which converts speech into data to gauge a particular customer's emotional response, e.g. anger or happiness; as well as real-time query and search solutions, which allow call agents to search internal data sources, the Internet and partner sources in order to gather as much information as possible when a particular caller query comes in. In this way, companies can collate data on the success of inbound queries or outbound selling/marketing campaigns. Interaction analytics solutions can also help to reduce costs, improve the level of customer service provided and help companies to deal more effectively with complaints or litigation issues. Interaction analytics are now used by around 20% of contact centres in the UK, although this figure is likely to double by 2015, as businesses continue to reap the benefits of using this particular type of technology; it can often provide informative and interesting insights into customer intentions and can help businesses to identify potential sales opportunities.

Self-Service

A number of contact centres utilise speech recognition telephony self-service solutions, which help to route calls to the correct department or can even answer brief incoming queries. Internet self-service solutions can also be useful in answering routine customer queries in a convenient and efficient manner. Despite this, only around 4% of contact centres are thought to solely rely on self-service systems, with the largest proportion (around 40%) using a mixture of both live agent and self-service provision. The low uptake of self-service channels is thought to be down to poor design and implementation in many contact centres, with a survey undertaken by Dimension Data in 2010 — which questioned 637 contact centres in 72 countries — revealing that only 16.1% of businesses saw contact centre traffic directed to Internet self-service solutions, compared with a target of 34.5%. Only 15.9% of companies said that they saw their self-service solutions as being ahead of the competition, despite 89.8% underlining their importance in terms of customer service.

7. Promotion and Consulting

CUSTOMERS OPTING OUT

Customer contact details and information pertaining to customers' buying and purchasing habits can be extremely useful to contact centres, particularly those dealing in telemarketing and sales, and companies strive to build up knowledge databases on customers in order to generate as many leads as possible. However, for many customers, marketing and sales calls can be a source of extreme annoyance and, as a result, some people opt to remove their details from public listings provided by the Electoral register, which can also be accessed by commercial organisations. Alternatively, consumers can sign up to the Telephone Preference Service (TPS), the official central opt-out register on which customers can record their preference to not receive unsolicited sales or marketing calls. It is a legal requirement that all organisations do not make such calls to those that sign up to the TPS, unless they have prior consent to do so.

According to Callcredit Information Group's annual edition of *The 2012 Electoral Roll Report*, of the 47 million voting consumers in the UK, just under 19 million decided to opt out of being included on the edited public listing, equating to an opt-out rate of 40.03%. This figure is down from around 45% in 2011 and 46% in 2010. This should have positive connotations for marketers and outbound call centres seeking to target potential customers. Further data from the report revealed that 30% of councils had seen more than half of their residents opting out in 2010 — down from 42% in 2011; while only 9% had opt-out rates exceeding 60%, a significant reduction on the 16% observed in the previous year. Regionally, the highest opt-out rate was registered in the South, along with Northern councils such as Harrogate, Wigan and Blackpool, while councils such as Salford, Bishop Auckland, Stoke-on-Trent and Blaenau Gwent observed the lowest opt-out rates.

The edited Electoral Roll is not the only source of contact information for customers, with many companies — including Callcredit — supplying databases of contacts through a variety of sources, such as demographic surveys and insurance quotes. These types of databases can be crucial sources of information to telemarketers, with data from Callcredit's 2012 report revealing that non-electoral roll sources contributed to an extra 28.5 million records being loaded onto Callcredit's database, all of which contained additional contact details such as e-mail addresses, landline and mobile telephone numbers.

EXHIBITIONS

A number of exhibitions focusing on the contact centres industry are held across the world, usually on an annual basis. Below are listed some of the most popular exhibitions:

- Call Centre & Customer Management Expo — a dedicated annual event for the call centre and customer management industry that is usually held in Europe. The exhibition covers six key areas of the industry, including call centre solutions; customer management; social media; training and motivation; compliance and security; and outsourcing. It also provides educational content, suppliers and networking opportunities. The next annual event is due to be held at the Olympia Exhibition Centre in London between 2nd and 3rd October 2013.
- Middle East Call Centre Conference — includes industry insight into the contact centres market and market trends in the Middle East. The exhibition features international experts, subject matter specialists and regional professionals. The conference is designed and organised by event organiser Insights. The next event is due to be held in Dubai in the United Arab Emirates (UAE) between 4th and 5th June 2013.
- Stratégie Clients (SeCa) — held annually in Europe, this exhibition covers a range of subjects affecting the customer service and contact centres industry. The next event is scheduled to take place in Paris at the Porte de Versailles between 16th and 18th April 2013. Specialist subjects to be broached during the 2013 exhibition will include the customer experience; customer data management; social innovation in the contact centre; multichannel customer relationship; the state of play of social customer relationship management (CRM); and the development of contact centres.
- Customer Contact Association (CCA) Convention — each year the CCA hosts a convention during which several leading private- and public-sector customer contact professionals gather to debate key current trends within the industry. The 2012 event was held in Glasgow between 6th and 7th November and had an attendance of more than 400 customer contact professionals. Convention speakers included leading brands John Lewis and Coca-Cola Enterprises, as well as mobile phone company giffgaff and public sector leader the Driver and Vehicle Licensing Agency (DVLA).
- Annual Call Center Exhibition (ACCE) Conference & Expo — a global convention for the contact centre community, the event features call centre workshops, site tours, case studies, panels and discussions on a broad range of topics specific to the industry, as well as keynote speakers and the latest technologies and services from vendors. The next conference is due to be held in Seattle, Washington, between 13th and 16th May in 2013.

- Callcenter Demo & Conference — provides demonstrations on a range of tools and techniques to be used in call centres, as well as keynote presentations, case studies and networking opportunities. It focuses on four main subject areas including multi-channel technology management, people management, operations management, and strategy and leadership. The next event is due to be held in Atlanta, Georgia, between 21st and 23rd October 2013.

RELATED TECHNOLOGY EVENTS AND EXHIBITIONS

There are also a number of events held across the globe which focus on the latest product developments, technology and software within the contact centres industry. Below are listed some of the most relevant exhibitions supplying technological information to the contact centres industry:

- Unified Communications Expo — the leading UK business communications event that features over 100 seminars on communications technologies and covers themes such as convergence and virtualised communications; social business; flexible working; collaboration; and the benefit of mobility. The next event is due to take place between 5th and 6th March 2013 at the Olympia National Hall in London.
- ITEXPO — provides educational resources for resellers, enterprises, small- to medium-sized enterprises (SMEs) and Government agencies on how to select Internet Protocol- (IP-) based voice, video, fax and unified communications for their business or to resell. It also provides significant networking opportunities and gives advice to service providers who wish to learn how to profitably roll out services to their subscribers. The next scheduled event is due to take place in the Miami Beach Convention Center in the US, between 30th January and 1st February 2013.
- IP EXPO — the UK's number one enterprise information technology (IT) event, providing extensive knowledge, advice and information on IT infrastructure. The exhibition also includes 240 industry-leading exhibitors and 260 seminar sessions across 18 main topics, as well as keynote speakers and presentations from high-profile members of the industry. The next event is scheduled to take place between 16th and 17th October 2013 at Earls Court in London.

INDUSTRY INFORMATION AND CONSULTING SERVICES

A range of intelligence resources are available to businesses wishing to seek further information on the general contact centres industry. Websites include callcentrehelper.com, contactcentreworld.com and callcentre.co.uk (also known as Call Centre Focus). [Callcentrehelper.com](http://callcentrehelper.com) also produces a magazine entitled *Call Centre Helper*, which is published online on a weekly basis and provides advice on how to manage a call centre business effectively. The CCA and the Direct Marketing Association (DMA) also provide extensive market resources for their members regarding the industry, with the former publishing an online monthly journal entitled *inTouch*, which profiles the latest industry news, research, successes and challenges of its members.

A number of contact centre businesses also opt to use business consultancy companies, particularly those with a good understanding of technology and infrastructure implementation. IBM's Business Consulting and IT Services divisions, as well as Capgemini and Convergys, are some of the leading general business consulting firms. There are also a number of consultancy firms that specialise in advising within the contact centres industry; these include Sabio, Avaya and Cisco.

8. An International Perspective

INTRODUCTION

Despite the early rush of outsourcing to call and contact centre businesses located in India and the Middle East in the early 2000s — due to the low wages and overhead costs offered by companies operating within the region — more recently a number of UK businesses have transferred their contact centre operations back to domestic locations, in order to better satisfy consumer demand for locally based call centre agents, following a rising number of complaints regarding miscommunication with overseas operatives. Over the past few years, Spanish bank Santander, which owns Alliance & Leicester (A&L) and parts of Bradford & Bingley (B&B), moved its call centres back to the UK after previously relocating to centres in Bangalore and Pune in India. The move created 500 new jobs in the UK, to add to the 2,000 that the company already had within its customer service department. Similar decisions have been made by a number of other companies, such as BSkyB, which opened a new call centre in Newcastle in 2010, instead of opting for an overseas outsourcer; while United Utilities and New Call Telecom both shifted their call centres back to the UK after previously basing their operations abroad.

Competition from overseas centres remains strong within the industry, particularly from locations such as the Philippines — now the leading global market within the contact centres industry — and South Africa, where wages are often cheap and businesses have invested in upgrading contact centre operations. India remains a strong global market as well, with many outsourcers with operations based in the country widening their approach to include business process outsourcing (BPO), which covers a wide range of services such as call centre and customer service operations, human resources (HR), and finance and accounting facilities.

EUROPE, MIDDLE EAST AND AFRICA

Europe

The strong service-based economy in Europe has meant that demand for contact centre operations has remained relatively level, despite ongoing economic concerns across the region and the Eurozone debt crisis, which has troubled a number of countries such as Greece, the Republic of Ireland and Spain. Although some analysts such as Frost & Sullivan have predicted strong growth within the outsourcing market in Europe between 2011 and 2017 — particularly in sectors such as travel and hospitality, the public sector, and retail and consumer packaged goods (CPG) — the recent news that the Eurozone had once again slipped into recession in the third quarter of 2012 is likely to have a significant effect on European businesses over the next few years, which could lead to a decline in investment and demand for cheaper alternatives, such as those provided by companies based in the Philippines.

Further data compiled by Frost & Sullivan in its 2011 report entitled *ContactCentre Outsourcing in Europe* reveal that the market earned revenues of around €13.06bn in 2010, with this figure expected to reach €16.04bn by 2017. Technical support and sales functions are likely to observe the highest growth. Competition within the market is also expected to intensify over the next few years as new participants enter the market, with market growth expected to reach around 3% year-on-year up to 2017. The emergence of new communications channels, such as social media, Web chat and instant messaging (IM) are also likely to factor strongly within the European market in forthcoming years.

Middle East

India has traditionally dominated the global contact centres market in recent years, with a number of businesses from Western English-speaking countries, such as the UK and the US — where services account for a large proportion of gross domestic product (GDP) — seeking to outsource operations to countries where labour costs and overheads are cheaper. Until recently India led the global market; however, with many firms now opting to move operations back to domestic locations, coupled with intensified competition from the Philippines, the market has seen business slow slightly over the past few years.

Despite this, India has remained a major player within the market, with many outsourcers that have operations based in the country investing significant sums of money into expanding the services that they offer, while upgrading technology and improving staff training. Although this has led to higher labour costs, India has retained a strong advantage in BPO, which includes a variety of administrative functions including customer service and call centre operations. Indeed, according to investment news site 2point6billion.com, India's overall outsourcing sector observed a growth of 14.8% in 2011 and is expected to reach the \$100bn mark by the end of 2012. Nevertheless, strong competition from overseas competitors means that growth over the next couple of years is unlikely to reach the levels observed before the 2008 global financial crisis, when market growth was rising by an annual rate of 20%.

According to an article published by the *Financial Times* in June 2012, many Indian companies have turned to specialist or niche markets in order to remain competitive, with a number of firms now offering a wide range of advanced services that require dental workers, nurses, accountants, lawyers and mathematicians. Many outsourcing firms operating in the Indian market have also decided to expand overseas by setting up offices in locations that are in high demand, such as Manila in the Philippines, where costs are often cheap. Leading companies operating within the Indian outsourcing market include Tata Consultancy Services and Wipro, both of which supply a number of BPO services including contact centre and customer service operations.

Africa

South Africa dominates the contact centres market on the African continent, with many global services-based firms looking to outsource to offshore BPO businesses that employ English-speaking staff. The past year has seen a number of large BPO organisations set up operations within the country, with Indian firm WNS — one of the world's largest BPO businesses — acquiring South African firm Fusion Outsourcing for £10m in June 2012. Fusion operates two call centres in Cape Town in South Africa, with around 1,500 seats (workstations), and counts British Gas among its clients. In a similar move, British outsourcing giant Capita PLC — which currently fulfils a range of contracts for the British government and public sector as well contracts from telecommunications giant O2 — acquired South African contact centre solutions firm Full Circle in July 2012 for an undisclosed sum. The decision by Capita to expand to South Africa will see the firm invest ZAR500m in the country over the next 3 years.

New mobile telecommunications network Everything Everywhere (EE), which services around 27 million T-Mobile and Orange customers, also recently set up contact centre operations in South Africa in August 2012, which will be managed by Merchants — a subsidiary of Dimension Data. Meanwhile, Serco, one of the world's largest diversified outsourcing firms, recently revealed that it would be establishing a new call centre operation in Cape Town to support a 10-year contract worth £10m, which it won in May 2012 from Shop Direct Group, one of the UK's biggest online retailers.

It is likely that further growth will be observed in the South African contact centres market over forthcoming years, with a 2010 white paper published by British-based firm Teleperformance estimating that around 10% of all contact centre agents will be based in South Africa by 2014. Market growth within the country is likely to be facilitated by increased investment in new technology, infrastructure and telecommunications networks, as well as the provision of a skilled workforce and quality training.

ASIA/PACIFIC

According to a report undertaken by Frost & Sullivan in 2012, entitled *Assessment of the Asia-Pacific Contact Center Market*, the region had 3.48 million contact centre agent seats in 2011, with this figure estimated to reach 5.9 million by 2018. The market is led by the Philippines — which has emerged as the largest contact centre market in the world following significant growth in recent years — while both Australia and the People's Republic of China (PRC) have remained relatively robust in terms of growth.

The Philippines

In 2011, the Philippines officially overtook India as the leading contact centres market in the world. According to an article published by the BBC in May 2012, there are now more than 600,000 call centre workers based in the Philippines. Furthermore, the market is estimated to have observed annual growth of between 25% to 30% in recent years, according to an article published by 2point6billion.com in July 2012, with revenue thought to be around \$11bn today, compared with just \$350m in 2001. Market growth has primarily been down to the low labour costs and overheads that businesses based in the country offer. In addition, much of the Philippine population is English-speaking, which has attracted businesses from the UK and the US that are seeking to outsource in order to reduce outgoings, particularly during the difficult economic period of recent years. As a result, many large corporations have set up operations within the country of late, including AT&T, Expedia, The Hershey Company, Proctor & Gamble (P&G), IBM and Shell, with their presence only likely to facilitate further growth in the future. Call centre operations based in the Philippines have also been quick to adapt to new technology trends within the market, with many switching to an internet protocol- (IP-) based network in recent years and expanding activities to include a variety of communications channels such as e-mail, Web chat and social media.

Over the next few years, it is likely that the contact centres market within the Philippines will continue to observe growth, with many firms seeking to follow in the footsteps of the Indian market by diversifying into BPO, with figures compiled by the Contact Center Association of the Philippines estimating BPO employees to more than double by 2016, from around 600,000 to 1.3 million. Policies meted out by the Philippine Government are also likely to facilitate growth within the country's BPO industry, having offered tax breaks and fast-tracked permits for companies wishing to expand in this particular area. According to investment analysts 2point6billion.com, these factors should help to drive market growth over the next few years, with Government plans currently aiming to generate BPO revenues of \$25bn by 2016, which would see such businesses account for 10% of GDP, compared with the 5% that they currently account for.

Australia

Australia is currently the second-largest contact centre market in the Asia/Pacific region, with figures from industry analyst Fifth Quadrant revealing that the industry is predicted to have reached a volume of around 228,700 seats in 2012, up by 27.1% from 2007, after experiencing an average year-on-year growth rate of around 4.3% over the past 5 years. Similar to the UK, in-house contact centres dominate the industry, although the popularity of outsourcing is still relatively prevalent, particularly in domestic regions such as Tasmania and South Australia.

According to the *Australian Contact Centre Outsourcing Market Study* published by Callcentres.net in 2011, around 81% of all outsourcing by Australian firms was undertaken domestically, while 19% of BPO services were undertaken by companies based overseas, particularly in the Philippines, India and Malaysia. Further data compiled by the report revealed that over half (53%) of the Australian companies that were surveyed outsourced at least one business process, with 73% opting to outsource their call centre operations to other businesses in Australia; 20% outsourced to the Philippines; 13% to India; and 13% to New Zealand. The largest outsourcers in 2011 included telecommunications and utilities firms, which represented 20% of the total outsourcing market, and banking and insurance companies, which accounted for 19%.

According to Frost & Sullivan's 2012 *Assessment of the Asia-Pacific Contact Center Market*, the Australian market is expected to observe a compound annual growth rate (CAGR) of around 2.6% through to 2018, boosted by the rising number of call centre operations now investing in new customer relationship management (CRM) software, such as call analytics and monitoring, as well as workforce optimisation tools, in order to improve the quality and efficiency of the customer service that they provide. Australian call centres have also been quick to adopt cloud technology and social media communication channels, with some even developing video contact centres. On top of this, the country has high adoption rates of home-based agent programmes, a trend which is likely to continue to gain momentum over the next few years. Market growth is expected to be driven by increased domestic demand over the next 5 to 6 years, with particular emphasis on the banking, financial services and insurance (BFSI) and telecommunications sectors, which account for the majority of contact centre operations based in Australia. Both the Government and education sectors are also likely to experience high growth over forthcoming years.

The PRC

According to an article published by Frost & Sullivan in July 2012, the contact centre market in the PRC recorded a total revenue of \$116.8m in 2010 and is estimated to reach a value of \$255m in 2017. The PRC is currently the third-largest market in the Asia/Pacific region, behind the Philippines and Australia, but is expected to overtake Australia as the second largest market by 2017. It is thought that investment in infrastructure and technology, along with general expansion activity, will contribute to the growth of the market in the PRC over the next 3 years, with sectors such as banking and finance, telecommunications and Government driving increases in revenue, with these three industry areas representing 60% of the market in 2010. However, as the market matures towards 2017, emerging sectors such as e-commerce, hospitality, retail and utilities are expected to observe higher growth than the overall market, as focus shifts away from products to services.

NORTH AMERICA

Canada

Despite the Canadian contact centres market observing relatively significant growth between 1998 and 2006 — of around 27.7% per annum according to figures collated by Statistics Canada — in recent years a number of businesses, particularly those that serve the US, have been hit hard by the American stock market crash of 2008/2009, as well as the US Government's backlash against outsourcing to other countries and its recent campaign to bring more jobs back into the country. As a result, a number of outsourcing firms providing contact centre services have witnessed job cuts or closures over the past few years, including Sears Canada, which closed its Regina, Saskatchewan centre in 2009 after deciding to move operations to the Philippines. More recently, outsourcer Virtual Agent Services Canada closed its operations down in Bathurst, New South Wales in October 2012, after failing to attract significant levels of business. Other outsourcers, such as Convergys and Minacs, have also suffered closures or laid off staff within their Canadian operations over the past few years. According to Contact Centre Canada's *Annual Report 2012*, which surveys a number of Canadian contact centre businesses on a quarterly basis, 81% of organisations experienced a decrease in turnover in the 3 months ending December 2011, with only 19% observing a rise. Furthermore, just 32% of companies questioned witnessed higher investment in training in the last quarter of 2011, while 56% observed no change and 12% saw a decrease. The Canadian contact centres market is likely to continue to be affected by economic fluctuations in North America and particularly in the US, with many companies opting to move facilities overseas to cheaper destinations in the Philippines and India.

The US

The US contact centres market has mimicked trends observed in the UK, with many companies opting to re-house their customer services operations in domestic locations in recent years, after previously outsourcing to organisations based abroad in India and the Philippines. Indeed, according to the National Association of Call Centers (NACC), employment in the US contact centres market continued to grow in the third and fourth quarters of 2011, equating to 11 consecutive quarters of growth within the industry. Employment growth in the second half of 2011 was nearly triple the growth experienced in the first half of the same year. During the third quarter of 2011, 18,965 net new jobs were added to the industry, with a further 13,539 reported in the fourth quarter. Outsourcers led the market, with major players such as Convergys Corporation, TeleTech Holdings, Sykes Enterprise and Stream Global Services all embarking on new hiring campaigns for the future.

Further data compiled by the NACC indicates that employment growth within the contact centres market in the US was driven by significant gains in the retail and entertainment sectors, which have seen a reversal of fortunes following significant declines during the recession of 2008/2009. Insurance and telecommunications businesses also observed strong growth in recruitment, however, the financial services sector continued to decline in terms of employment in the third and fourth quarters of 2011, due to continued fluctuations within the economy and investor uncertainty; while the outsourcing sector appeared to stabilise slightly.

Although the US market is thought to have shrunk slightly during the recession of 2008/2009, since then conditions have continued to improve and the recent Government campaign to encourage home-grown jobs in order to boost employment in the country appears to be working, suggesting that the market has returned to growth and will continue to perform well over the next few years.

LATIN AMERICA

Brazil

The Brazilian contact centres market has continued to grow in recent years and is forecast to generate revenues of \$3.61bn in 2012, up by 17% from 2011, according to news site TI Inside, citing data from the São Paulo direct marketing and telemarketing association Sintelmark. Organisations based in the São Paulo state represent approximately 60% of the national market, with around 350,000 people working in contact centres, representing an increase of 10% on last year. The Brazilian market is expected to continue to grow over the next few years, with statistics collated by Frost & Sullivan estimating that the market will reach a value of \$7.1bn by 2015, almost doubling in market size compared with 2012. However, while many other countries, such as India and the Philippines — where much of the population is English-speaking — concentrate efforts on BPO to nations such as the US and the UK, in Brazil, most organisations focus on the local market or other Spanish-speaking countries.

Mexico

Mexico's contact centres market remains one of the largest and most robust in Latin America, according to an article published by nearshoreamericas.com in October 2011, with some 20,000 businesses based in the country engaging in some type of contact centre activity. The largest companies with operations in the contact centres market include Telfex, Teleperformance, Atento, Televista, Atencion Telefonica, b-connect and Digitex from Spain, while there are also a large number of small- to medium-sized enterprises (SMEs) providing telemarketing, collections services and market research services. Around 43% of businesses are located in and around Mexico City although, in recent years, several companies have relocated to different parts of the country, such as Guadalajara, Baja California and Puebla. Further data compiled by the Instituto Mexicano de Teleservicios (IMT) reveal that the contact centres market in Mexico has continued to grow in recent years, with the number of agent positions rising by 11% in 2011, down slightly from growth rates of 18% in prior years. Like in Brazil, however, future growth is likely to depend on the number of businesses from the US and UK that are seeking to outsource to offshore companies.

9. PEST Analysis

POLITICAL

Ofcom to Fine Silent Call Repeat Offenders Up To £2m

In February 2011, communications industry regulator Ofcom announced new powers that would allow it to fine companies which repeatedly make silent calls to customers' telephones. Silent calls often occur when contact centres use automated telephone call technology to dial several numbers at once, but fail to transfer these calls through to a live agent once answered by a customer if all agents are busy. Following an increasing number of customer complaints to Ofcom referring to such calls in the UK — which reached 9,000 in 2010 — the regulators revealed that Parliament had approved an increase in the maximum fine handed out to repeat offenders of silent calls and other culprits that breach regulations on abandoned and silent calls, to £2m. Since Ofcom's announcement, the regulator has fined a number of businesses that were found to be making such calls, including Barclaycard, which was fined £50,000, and HomeServe, which was fined £750,000, for excessively abandoning calls and non-compliance of rules governing outbound telemarketing calls.

The rising number of silent and abandoned calls is thought to be down to the use of automated dialling systems, which detect when a call has been put through to a customer's answering machine and subsequently disconnect the call. Although current rules outlined by Ofcom stipulate that abandoned call rates should represent no more than 3% of live calls per campaign and that an automated message should be in place in the case where a live operator is not ready to take a call, a significant proportion of customers are still receiving such calls, with more than 70% of those that complained to Ofcom in 2010/2011 revealing that they had received two or more silent calls in the same day from the same company. However, as of yet, Ofcom has not announced a complete ban on automated dialling systems, although companies that utilise such technology have been advised to do so more carefully.

Amendments Made to the Privacy and Electronic Communications Directive

In May 2011, the European Commission (EC) revealed that new regulations amending some rules included in the Privacy and Electronic Communications Regulations (PECR) 2003 would be implemented. These amendments were introduced in order to address privacy issues surrounding the use of Internet cookies by companies and Internet advertisers, which store data on customers visiting websites and the customers' use of the Internet while online. It also stipulated that public electronic communications service providers would need to report personal data breaches and grant greater powers to the Information Commissioner's Office (ICO) in dealing with perpetrators of regulations governing privacy and electronic communications.

The amendments to regulations regarding cookies ascertain that any website that wishes to use a customer's cookies should provide clear and comprehensive information about the purposes of the storage of or access to such information and must be granted consent by the user. The new regulations also stipulate that public electronic communications services providers should notify the ICO immediately of any personal data breach, which is defined as:

“A breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed in connection with the provisions of a public electronic communications service.”

Under these new rules, the ICO was also given powers to impose civil monetary penalties of up to £500,000 for serious breaches of the PECR. The ICO can audit the measures taken by a provider of public electronic communications services (a service provider) in order to safeguard the security of that service and ensure complicity with the new personal data breach notification and recording requirements. The ICO can also impose a fixed monetary penalty of £1,000 on a service provider that fails to comply with the new breach notification requirements and can force a communications provider to hand over information needed to investigate compliance of the PECR.

Citizens Advice Recommends Ban on PPI Cold Calling

In November 2012, consumer help group Citizens Advice issued a recommendation that claims-management firms should be banned from making cold calls to customers regarding Payment Protection Insurance (PPI), which have continued to increase since banks were first told to pay back victims of mis-sold PPI in 2006/2007. According to a survey undertaken by Citizens Advice in 2012, nine out of every ten people were found to have been contacted by claims management firms regarding PPI in 2011, with around 62% of people revealing that they had been 'pestered' by calls, e-mails and spam texts from such companies — 72% of which telephoned regarding PPI claims. Citizens Advice also recommended that customers go straight to their bank if they feel that they have been mis-sold PPI in the past, rather than use a claims management firm, after the consumer advice group found that such companies take around 25% of a successful PPI claim in charges, equating to approximately £1,100 of a customer's payout. Citizens Advice also urged the Financial Services Authority (FSA), which regulates banks and financial services providers, to introduce 'tougher measures' in order to protect consumers from 'predatory' claims management firms.

ECONOMIC

General Economic Trends

In recent years, ongoing fluctuations in gross domestic product (GDP) have had a significant effect on capital expenditure invested by businesses in the UK, with recession occurring in 2008/2009 and, again, in the first quarter of 2012. Although this has served to persuade a number of companies using overseas outsourcers to transfer operations back in house and to move offices to domestic locations, it has also resulted in reduced attrition rates as a greater number of staff look to hold onto their jobs in the face of continued economic constraints. Skills CFA estimated that staff attrition rates in contact centres fell to 14% in 2009 — at the height of the UK's first recession — from a high of over 30% in 2004/2005.

Following the 2008/2009 recession, the contact centres market continued to experience growth, with a number of acquisitions and consolidation taking place, while confidence in outsourcing has once again strengthened. Nevertheless, the return to recession in Q1 2012 is likely to have had an effect on investment within call centres and, although the country was thought to have exited recession in Q3 2012, the ongoing debt crisis currently being experienced across the Eurozone — which fell back into recession in the third quarter of 2012 — is expected to continue to put pressure on budgets. According to a report undertaken by Frost & Sullivan in 2012, the contact centres market across Europe, the Middle East and Africa (EMEA) observed relatively low growth in 2011 compared with other global regions, with this trend expected to continue over the next 5 years.

The ongoing financial troubles affecting Europe have also heightened the importance of providing quality customer care and, as a result, many companies have begun to seek input from third-party outsourcers with specialist expertise in this particular area. However, businesses are likely to take a more measured approach towards using outsourcers, with many preferring the security and control over quality that in-house operations often provide.

Table 9.1: UK Economic Trends (000, £m, %, million and £), 2007-2011

	2007	2008	2009	2010	2011
<u>Resident Population</u>					
<u>Estimates (000),</u>					
<u>Mid-Years</u>					
Female	31,068	31,244	31,418	31,619	31,833
Male	29,918	30,154	30,374	30,643	30,902
<i>Table continues...</i>					

Table 9.1: UK Economic Trends (000, £m, %, million and £), 2007-2011

...table continued

	2007	2008	2009	2010	2011
Total population	60,986	61,398	61,792	62,262	62,735
<i>% change year-on-year</i>	-	0.7	0.6	0.8	0.8
<u>Gross Domestic Product (£m)</u>					
Current prices	1,412,119	1,440,931	1,401,863	1,466,569	1,519,134
<i>% change year-on-year</i>	-	2.0	-2.7	4.6	3.6
Annual chain-linked GDP	1,474,153	1,459,885	1,401,863	1,427,087	1,439,536
<i>% change year-on-year</i>	-	-1.0	-4.0	1.8	0.9
<u>Rate of Inflation (%)</u>					
Inflation	4.3	4.0	-0.5	4.6	5.2
<i>Percentage point change year-on-year</i>	-	-0.3	-4.5	5.1	0.6
<u>Actual Number of Unemployed Persons in the UK (million)</u>					
Actual number of claimants	0.86	0.91	1.53	1.50	1.53
<i>% change year-on-year</i>	-	5.8	68.1	-2.0	2.0

Table continues...

Table 9.1: UK Economic Trends (000, £m, %, million and £), 2007-2011

...table continued

	2007	2008	2009	2010	2011
<u>Household Disposable Income Per Capita (£)</u>					
Household disposable income	14,305	14,733	15,109	15,619	15,976
% change year-on-year	-	3.0	2.6	3.4	2.3

GDP — gross domestic product

Note: inflation is at retail price index (RPI); inflation data shown are annual average changes; claimant count measures the number of people claiming Jobseeker's Allowance.

Source: Population Estimates for UK, England and Wales, Scotland and Northern Ireland — Population Estimates Timeseries 1971 to Current Year, December 2011/ National Population Projections, 2010-based projections/United Kingdom Economic Accounts, November 2012/Consumer Price Indices, November 2012/ Labour Market Statistics, August 2012, National Statistics website © Crown copyright material is reproduced with the permission of the Controller of HMSO (and the Queen's Printer for Scotland)

SOCIAL

ICO Fines Spam Text Message Culprits Up To £500,000

In October 2012, the ICO revealed that it would be fining two people believed to be responsible for sending out millions of spam text messages regarding accident compensation fees of up to £500,000, following a heightened crackdown on unsolicited telemarketing text messages and misuse of people's personal details. A further eight companies were also thought to be under investigation by the ICO, which was given extra powers in early 2012 to mete out fines of up to £500,000 to those who were found to breach the PECR. Some of the abuses that the culprits were thought to be guilty of included the fact that no named sender was given on the texts and that when a recipient texted 'STOP' in order to be taken off a telemarketing list, they were simply added to a new list, which was then sold on to other telemarketing firms.

In November 2012, the ICO revealed that it had handed out its first fine under the amendments made to the PECR giving it extra powers to fine those that breached the regulations, after requesting Tetras Telecoms, a marketing firm that sent out large amounts of unsolicited spam texts, pay a fee of £440,000. The fine was handed out following an 18-month investigation into the activities of Tetras Telecoms after the ICO received complaints that the company was sending out large volumes of spam texts from its offices in Stockport and Birmingham, without the prior consent of recipients and without identifying the sender.

Since the amendments to the PECR were introduced in early 2012, when the ICO began asking people to send in examples of spam texts that they had received, the ICO revealed that it had been sent nearly 30,000 examples. It is thought that the new fines handed out by the ICO will pave the way for other similar cases in the future.

Call Centres Found to Be Taking Advantage of Low-Paid Prison Workers

In August 2012, it was revealed that a solar energy company Becoming Green had taken on 23 prisoners from minimum-security prison HMP Presoed in South Wales as contact centre employees. However, the company was found to be paying prisoners only £3 a day to work in its call centre, although the firm pointed out that this was part of the inmates' 'work experience' at Becoming Green, for which they were paid at a rate of 40 pence (p) per hour for at least 2 months in the company's telesales division, which is based in Cardiff. Following an agreement between the solar panel firm and the nearby prison, the company took on 23 prisoners as staff, of whom 12 are currently being paid around 6% of the minimum wage. Becoming Green came under further fire when it was revealed that it had sacked a number of other workers since it began to use prisoners as employees, who now account for around 15% to 17% of the company's workforce. The firm was quick to announce that the sackings were part of the 'normal call-centre environment' and that it had taken on new staff from the prison as part of a new expansion strategy.

In early 2012, former Justice Secretary Kenneth Clarke revealed that an expansion of mainly manufacturing work would occur inside prisons, although the policy was implemented with care, following concerns voiced by unions that prison workers would be putting others out of work. This formed part of Clarke's wider initiative to increase the number of prison workers from 10,000 to 20,000 over the next 10 years.

TECHNOLOGICAL

Popularity of the Multichannel Contact Centre Continues to Grow

The popularity of social media and the continued uptake of smartphones in recent years has led to the development of new multichannel contact centre strategies that allow agents to reach customers (or vice versa) using a range of different communications channels that incorporate these new trends. Many companies now use e-mail, web chat, social media and short messaging service (SMS) alongside traditional telephone channels for both inbound and outbound customer communications.

The increasing number of people that now own a smartphone — estimated to be nearing 50% according to Google Mobile Ads Blog as of January 2012 — has also resulted in a rising number of contact centres opting to diversify into the management of mobile applications (apps) in order to suit customers’ new communications habits. According to Dimension Data’s *Contact Centre Benchmarking Report, 2012*, which surveyed 637 contact centres from 72 countries across the world, 19.2% of contact centres are now managing smartphone apps. Further data from the report revealed that 33.2% of businesses were supporting social media channels — double the 18.6% found to be doing so in 2011. On top of this, 14.4% of businesses that were surveyed expected to install the capability to support social media within the next 12 months, while 10.4% planned to be able to support the channel within the next 24 months. The benefits of social media within a company’s public relations (PR) and communications strategy has been reflected by the success of business models, such as that employed by mobile virtual network operator (MVNO) giffgaff, which is run entirely online and by its own customers in return for discounted deals and freebies.

Despite this, the majority of contact centres still communicate with customers using telephony services, with 98.5% doing so in 2012, according to data compiled by Dimension Data. Meanwhile, 89.1% of businesses surveyed utilised e-mail as a communication channel and 66.3% used self-service (touchtone) telephony services; 36.3% used text messages and nearly a third (29.4%) used web chat.

Telephone	98.5
E-mail	89.1
Internet	69.3
IVR (touchtone) self-service	66.3

Table continues...

Table 9.2: Communications Channels Utilised by UK Contact Centres (% of respondents), 2012

...table continued

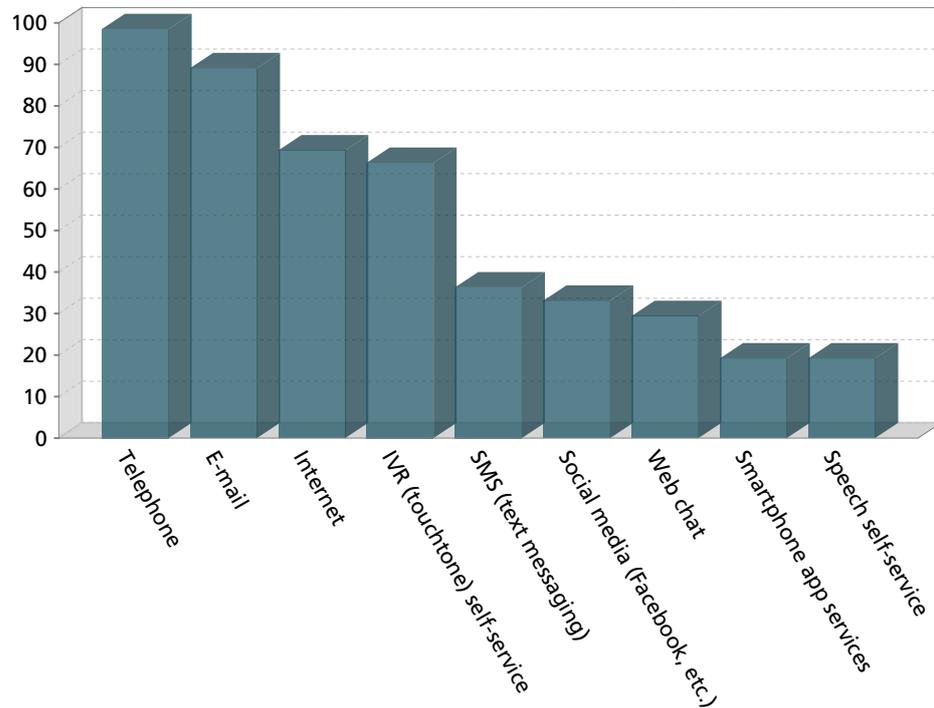
SMS (text messaging)	36.3
Social media (Facebook, Twitter, etc.)	33.1
Web chat	29.4
Smartphone application services	19.2
Speech self-service	19.2

IVR — interactive voice response

SMS — short messaging service

Source: Contact Centre Benchmarking Report 2012 © Dimension Data

Figure 9.1: Communications Channels Utilised by UK Contact Centres (% of respondents), 2012



app — application

Source: Contact Centre Benchmarking Report 2012 © Dimension Data/Key Note

These results indicate the increasing importance of multichannel strategies within contact centres, with increasingly more customers preferring to communicate via social media and the Internet using their mobile phone. This is likely to drive demand for staff that are comfortable using a variety of different communications channels and will require increasing investment from organisations that wish to expand in terms of customer service. Despite this, only 6.7% of organisations were found to agree that their contact centres were highly advanced in terms of service channel capabilities, according to Dimension Data, suggesting that companies are struggling to stay ahead of the technological advances in the industry.

Virtual Contact Centres

In recent years, much has been made about the variety of benefits provided by operating a 'virtual' contact centre model, which allows staff to work from home or at a variety of locations spread across a wide geographical area. Benefits of this particular model include the provision of more flexible opening hours — including nights — and can often help to drive down staff attrition rates — which are often notoriously high within contact centres — by providing greater work satisfaction and allowing staff to set their own hours within certain parameters. The operation of a virtual contact centre can also help to reduce costs involved in setting up and running an office, as the majority of employees either work from home or in small offices. It can also help organisations to recruit specialists that might not otherwise have been available due to their location.

A recent survey undertaken by Jabra in conjunction with Frost & Sullivan in December 2011 revealed that 84% of contact centre managers in charge of large businesses viewed the emergence of employing remote agents as the next big trend within the industry. Nearly eight out of every ten respondents also cited one of the advantages of using a 'virtual' model as being able to employ qualified personnel from different locations throughout the country and even in different time zones. Furthermore, 68% of contact centre managers revealed that they believed that employing remote agents would emerge as a future trend within the market. Larger contact centres (with more than 500 seats) were more likely to consider using a virtual model, with 84% revealing this to be the case, compared with 69% of medium-sized enterprises (with between 100 and 500 seats) and 46% of small contact centres (with fewer than 100 seats). However, disadvantages of utilising a virtual model were also analysed, with a large majority (96%) citing the lack of everyday face-to-face communication with employees as a particular problem, while 70% stated that slow Internet connections could also be a possible weakness.

Rollout of 4G and Superfast Broadband in the UK to Boost Internet Protocol Telephony

In 2010, the UK Government announced that it would be allocating £530m during its current Spending Review period to drive commercial investment in the rollout of high-speed broadband in rural communities across the UK, with the aim of having the best superfast broadband network in Europe by 2015 and delivering superfast broadband to at least 90% of premises in the UK. The Government has since invested a further £150m into developing a number of 'super-connected cities' across the UK, including Birmingham, Bristol, Leeds, Bradford, Newcastle and Manchester, along with the nation's four capital cities, which will involve the installation of ultrafast fixed broadband access and create large areas of public wireless connectivity. On top of this, £150m in capital expenditure will also be invested by the Government in improving mobile coverage and quality where existing coverage is poor or non-existent, with this particular project set for completion in 2015; businesses and consumers should begin to see improvements in service from early 2013.

Recent months have also seen a number of mobile operators based in the UK, along with the communications regulator Ofcom, draw up a timetable for the rollout of 4G, the fourth generation of mobile communications standards. While new mobile network operator Everything Everywhere (EE) — which operates under the T-Mobile, EE and Orange brands — has already begun to rollout 4G to its customers based in the UK, other operators such as Three, O2 and Vodafone will have to wait until spring 2013 to launch their own 4G data service. The introduction of 4G mobile technology is expected to benefit consumers by providing more improved and reliable network speeds.

Both the rollout of high-speed broadband and 4G mobile networks across the UK should help to boost the uptake of Internet Protocol (IP) telephony across the contact centres market over the next few years — a trend that has already become emergent in recent years. It is also likely to increase demand for multichannel contact centres, as it is expected to boost the number of customers using the Internet and web-based services to contact customer services. The rollout of 4G is likely to result in greater uptake of smartphones in the UK — which is already thought to be nearing 50%, according to an article published by Google Mobile Ads Blog in January 2012 — driving demand for mobile-based applications utilised within contact centres, as part of their multichannel communications strategy.

10. Consumer Dynamics

INTRODUCTION

In November 2012, Key Note commissioned NEMS Market Research to undertake a consumer survey in order to investigate consumer attitudes and opinions regarding contact centres in the UK. Respondents were given a list of statements pertaining to their experience of contact centres (including telesales/telemarketing calls), which they then had to agree or disagree with. The survey was conducted using a sample of 1,000 men and women, all aged 16 and above.

COMMUNICATION CHANNELS

The majority of respondents still preferred to use more traditional means when contacting an organisation, with more than two-thirds (71.6%) revealing that they used the telephone to do so and 43.9% visiting a main or local office branch. However, e-mail was also popular, with more than half (57.6%) of respondents using e-mail or click-throughs from websites to contact customer services, while 27.5% did so via letter or fax and only 15.1% used instant messenger (IM) or social media.

Traditional communications channels were generally more favoured among older consumers, with nearly 9 in every 10 individuals aged 65 and over preferring to use the telephone to contact an organisation (86.4%), while 54.6% of those aged 55 to 64 years old opted to visit a main or local office to make enquires. In contrast, younger consumers preferred to use Internet communications, with 88.5% of those aged 16 to 19 years old opting to make enquiries via e-mail or website click-throughs, while 26.1% of those aged between 20 and 24 preferred IM or social media channels to contact an organisation. Interestingly, communicating via letter/fax had relatively high penetrations among both younger and older age groups, with 32.9% of those aged 16 to 19 years old opting for this method, along with 39% of those aged 65 and over.

Those in higher social grades (A, B and C1) were most likely to use Internet communications channels, such as e-mail and website click-throughs, while those in social grades C2, D and E favoured more traditional channels such as the telephone, visiting a main or local office branch and using letter/fax.

**Table 10.1: Preferred Method Used to Contact an Organisation
(% of respondents), November 2012**

	Telephone	E-mail/Click-Through	Main/Branch Office	Letter/Fax	Instant Messenger/ Social Media
All adults	71.6	57.6	43.9	27.5	15.1
Sex					
Male	66.8	61.4	46.1	24.7	15.6
Female	75.8	54.2	42.0	30.1	14.5
Age					
16-19	63.2	88.5	26.4	32.9	25.3
20-24	75.8	78.9	54.8	24.7	26.1
25-34	60.4	74.6	40.9	25.4	22.1
35-44	63.1	63.9	37.3	15.4	19.8
45-54	72.0	57.9	42.1	24.1	8.8
55-64	76.7	46.9	54.6	33.8	8.1
65+	86.4	23.9	48.0	39.0	5.9
Social Grade					
A	69.7	60.0	44.1	16.9	23.0
B	71.9	65.9	40.5	29.3	16.3
C1	66.7	68.9	42.9	27.9	12.4
C2	72.2	54.9	46.5	27.0	16.2
D	74.6	42.2	45.3	31.1	16.4
E	81.1	36.8	42.5	25.7	13.3
<p><i>Note: rows may sum to more than 100 as respondents may use more than one channel of communication to contact an organisation.</i></p> <p><i>Weighted sample: 1,000</i></p> <p><i>Base: all adults aged 16+</i></p> <p><i>Source: Key Note</i></p>					

Telephone

Respondents that preferred to communicate with a contact centre via telephone were more likely to be female (75.8%); aged 65 and over (86.4%); in social grade E (81.1%); and not working (retired/invalid [87.5%]). They also tended to live in Wales (87.7%); live in three-person households (78.9%); be divorced (86.5%); have no children (75.3%); and own their own home outright (79.2%).

In comparison, those least likely to contact an organisation via the telephone tended to be younger, belong to a higher social grade and work full time (62.7%). They were also more likely to live in larger households and be married or living as married with young children, suggesting that families were generally more in favour of alternative methods of communication other than the telephone.

Table 10.2: When I Need to Contact an Organisation, I Prefer to Do So by Telephone (% of respondents), November 2012

	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	71.6
Sex			
Male	47.5	44.3	66.8
Female	52.5	55.7	75.8
Age			
16-19	6.3	5.6	63.2
20-24	8.8	9.3	75.8
25-34	17.5	14.8	60.4
35-44	18.4	16.2	63.1
45-54	16.3	16.4	72.0
55-64	13.1	14.0	76.7
65+	19.6	23.7	86.4
Social Grade			
A	4.1	4.0	69.7
B	14.2	14.3	71.9
C1	30.2	28.2	66.7
C2	30.0	30.2	72.2
D	11.2	11.7	74.6
<i>Table continues...</i>			

Table 10.2: When I Need to Contact an Organisation, I Prefer to Do So by Telephone (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Social Grade (cont.)			
E	10.3	11.7	81.1
Working Status			
Full time (30+ hours a week)	43.8	38.4	62.7
Part time	16.5	16.6	72.2
Not working (excluding retired/invalid) [†]	16.6	16.9	73.0
Not working (retired/invalid)	22.6	27.7	87.5
Standard Region			
North	3.3	3.7	78.4
Yorkshire and Humberside	9.4	8.8	66.8
East Midlands	3.6	3.7	72.7
West Midlands	7.5	8.8	84.5
East Anglia	9.8	10.5	76.3
South East	20.1	18.8	66.7
Greater London	9.5	9.3	70.4
South West	10.6	9.7	65.2
North West	11.9	12.1	72.7
Wales	4.7	5.8	87.7
Scotland	9.4	8.9	67.6
Size of Household			
One person	22.4	24.1	76.7
Two person	30.1	30.0	71.3
Three person	19.7	21.8	78.9
Four person	19.3	16.0	59.2
Five person or more	7.7	7.3	67.9

Table continues...

Table 10.2: When I Need to Contact an Organisation, I Prefer to Do So by Telephone (% of respondents), November 2012*...table continued*

	Sample Profile (%)	PP%	Pen %
Marital Status			
Married/living as married	53.2	51.6	69.4
Single	29.6	28.6	69.2
Divorced	5.9	7.1	86.5
Widowed	9.1	10.6	83.8
Separated	1.6	1.6	68.9
Presence of Children			
Aged 0-4	10.8	8.1	53.5
Aged 5-9	10.5	8.7	59.7
Aged 10-15	13.4	12.7	67.9
No children	72.9	76.7	75.3
Tenure			
Own home outright	38.6	42.7	79.2
Buying home	35.5	30.6	61.8
Rent from the council	12.0	12.3	73.4
Rent privately	10.1	10.5	74.4
Rent-free occupancy	1.6	1.2	53.8
<i>PP — purchasing profile</i>			
<i>Pen — penetration</i>			
<i>t — e.g. studying, not looking for work or unemployed</i>			
<i>Weighted sample: 1,000</i>			
<i>Base: all adults aged 16+</i>			
<i>Source: Key Note</i>			

E-mail and Website Click-Throughs

Over half (57.6%) of respondents were found to prefer online contact channels such as e-mail and/or website click-throughs. Men were more likely to favour this option than women, at 61.4% compared with 54.2%, as were those belonging to younger age groups and higher social grades. Respondents working full time were also found to be more likely to use e-mail or click-throughs as a method of communication when contacting customer services, with 68.9% using this particular channel; as were those living in the South West (65.1%). Other demographics to show a preference for e-mail/click-throughs when making enquiries included respondents living in four-person households (75.9%), those that were separated (70.8%), respondents with children aged 5 to 9 years old (73.4%) and those in the process of buying their own home (65.2%).

In contrast, respondents belonging to older age groups, lower social grades, as well as those that were not working (retired/invalid) were generally found to have the lowest level of penetrations for using e-mail and/or website click-throughs to contact organisations. This could be down to respondents that belong to these particular demographics being less adept at using Internet-based communication channels and having poorer access to an Internet-connected computer and/or other mobile devices, such as a tablet computer or smartphone.

Table 10.3: When I Need to Contact an Organisation, I Prefer to Do So by E-mail or by Clicking Through from Their Website (% of respondents), November 2012

	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	57.6
Sex			
Male	47.5	50.6	61.4
Female	52.5	49.4	54.2
Age			
16-19	6.3	9.7	88.5
20-24	8.8	12.1	78.9
25-34	17.5	22.7	74.6
35-44	18.4	20.4	63.9
45-54	16.3	16.4	57.9
55-64	13.1	10.6	46.9
<i>Table continues...</i>			

Table 10.3: When I Need to Contact an Organisation, I Prefer to Do So by E-mail or by Clicking Through from Their Website (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Age (cont.)			
65+	19.6	8.1	23.9
Social Grade			
A	4.1	4.2	60.0
B	14.2	16.3	65.9
C1	30.2	36.1	68.9
C2	30.0	28.6	54.9
D	11.2	8.2	42.2
E	10.3	6.6	36.8
Working Status			
Full time (30+ hours a week)	43.8	52.4	68.9
Part time	16.5	18.3	64.0
Not working (excluding retired/invalid) [†]	16.6	18.8	65.3
Not working (retired/invalid)	22.6	10.4	26.4
Standard Region			
North	3.3	3.1	52.7
Yorkshire and Humberside	9.4	9.4	57.5
East Midlands	3.6	2.3	37.2
West Midlands	7.5	6.6	50.5
East Anglia	9.8	10.6	62.1
South East	20.1	22.1	63.1
Greater London	9.5	9.5	58.0
South West	10.6	12.0	65.1
North West	11.9	11.2	54.1
Wales	4.7	4.3	52.1
Scotland	9.4	9.0	54.7

Table continues...

Table 10.3: When I Need to Contact an Organisation, I Prefer to Do So by E-mail or by Clicking Through from Their Website (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Size of Household			
One person	22.4	15.6	40.2
Two person	30.1	27.7	52.9
Three person	19.7	22.2	64.7
Four person	19.3	25.5	75.9
Five person or more	7.7	8.7	65.0
Marital Status			
Married/living as married	53.2	55.2	59.7
Single	29.6	34.6	67.3
Divorced	5.9	3.8	37.2
Widowed	9.1	3.9	24.7
Separated	1.6	2.0	70.8
Presence of Children			
Aged 0-4	10.8	12.7	67.8
Aged 5-9	10.5	13.4	73.4
Aged 10-15	13.4	15.1	65.0
No children	72.9	68.9	54.4
<i>Table continues...</i>			

Table 10.3: When I Need to Contact an Organisation, I Prefer to Do So by E-mail or by Clicking Through from Their Website (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Tenure			
Own home outright	38.6	32.9	49.1
Buying home	35.5	40.2	65.2
Rent from the council	12.0	10.8	52.1
Rent privately	10.1	11.2	63.9
Rent-free occupancy	1.6	2.4	85.7

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

Visiting a Main or Branch Office

Visiting a main or branch office in order to make enquiries at an organisation was most popular among men (46.1%); older consumers, especially those aged 55 to 64 years old (54.6%); those belonging to social grade C2 (46.5%); respondents not working that were retired/invalid (48.7%); those living in the North (53.1%); respondents living in small households with just one person (48.6%); those that were separated (65.4%); respondents without any children (45.2%); and those that owned their own home outright (47.9%).

Table 10.4: When I Need to Contact an Organisation, I Prefer to do so by Going into a Main or Branch Office			
	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	43.9
Sex			
Male	47.5	49.8	46.1
Female	52.5	50.2	42.0
Age			
16-19	6.3	3.8	26.4
20-24	8.8	11.0	54.8
25-34	17.5	16.3	40.9
35-44	18.4	15.6	37.3
45-54	16.3	15.6	42.1
55-64	13.1	16.3	54.6
65+	19.6	21.4	48.0
Social Grade			
A	4.1	4.1	44.1
B	14.2	13.1	40.5
C1	30.2	29.5	42.9
C2	30.0	31.7	46.5
D	11.2	11.6	45.3
E	10.3	10.0	42.5
Working Status			
Full time (30+ hours a week)	43.8	43.3	43.4
Part time	16.5	14.4	38.3
Not working (excluding retired/invalid) [†]	16.6	16.4	43.5
Not working (retired/invalid)	22.6	25.1	48.7
Standard Region			
North	3.3	4.0	53.1
Yorkshire and Humberside	9.4	8.4	39.0
East Midlands	3.6	3.4	42.0
West Midlands	7.5	8.9	52.1
East Anglia	9.8	8.6	38.5
<i>Table continues...</i>			

Table 10.4: When I Need to Contact an Organisation, I Prefer to do so by Going into a Main or Branch Office

...table continued

	Sample Profile (%)	PP%	Pen %
Standard Region (cont.)			
South East	20.1	23.9	52.2
Greater London	9.5	7.6	35.5
South West	10.6	8.0	33.0
North West	11.9	12.0	44.2
Wales	4.7	5.5	51.5
Scotland	9.4	9.5	44.3
Size of Household			
One person	22.4	24.8	48.6
Two person	30.1	30.5	44.5
Three person	19.7	21.3	47.5
Four person	19.3	14.9	33.8
Five person or more	7.7	7.0	40.3
Marital Status			
Married/living as married	53.2	53.4	44.1
Single	29.6	28.0	41.5
Divorced	5.9	6.0	44.5
Widowed	9.1	9.5	46.1
Separated	1.6	2.4	65.4
Presence of Children			
Aged 0-4	10.8	10.1	41.0
Aged 5-9	10.5	10.5	44.2
Aged 10-15	13.4	12.0	39.4
No children	72.9	75.0	45.2

Table continues...

Table 10.4: When I Need to Contact an Organisation, I Prefer to do so by Going into a Main or Branch Office*...table continued*

	Sample Profile (%)	PP%	Pen %
Tenure			
Own home outright	38.6	42.0	47.9
Buying home	35.5	29.2	36.2
Rent from the council	12.0	11.8	43.2
Rent privately	10.1	10.9	47.6
Rent-free occupancy	1.6	1.6	44.8

*PP — purchasing profile**Pen — penetration**t — e.g. studying, not looking for work or unemployed**Weighted sample: 1,000**Base: all adults aged 16+**Source: Key Note*

Letter or Fax

Respondents that preferred to contact an organisation via letter or fax were more likely to be female (30.1%); aged 65 and over (39%); in social grade D (31.1%); not working (retired/invalid [37.8%]); living in the South East (35.6%); residing in one-person households (31.9%); widowed (36.3%); have no children (28.8%); and own their own home outright (32.6%).

Table 10.5: When I Need to Contact an Organisation, I Prefer to Do So by Letter or Fax (% of respondents), November 2012

	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	27.5
Sex			
Male	47.5	42.6	24.7

Table continues...

Table 10.5: When I Need to Contact an Organisation, I Prefer to Do So by Letter or Fax (% of respondents), November 2012			
<i>...table continued</i>			
	Sample Profile (%)	PP%	Pen %
Sex (cont.)			
Female	52.5	57.4	30.1
Age			
16-19	6.3	7.5	32.9
20-24	8.8	7.9	24.7
25-34	17.5	16.2	25.4
35-44	18.4	10.2	15.4
45-54	16.3	14.3	24.1
55-64	13.1	16.1	33.8
65+	19.6	27.8	39.0
Social Grade			
A	4.1	2.5	16.9
B	14.2	15.1	29.3
C1	30.2	30.6	27.9
C2	30.0	29.4	27.0
D	11.2	12.7	31.1
E	10.3	9.7	25.7
Working Status			
Full time (30+ hours a week)	43.8	33.5	21.1
Part time	16.5	16.6	27.7
Not working (excluding retired/invalid) [†]	16.6	18.0	29.9
Not working (retired/invalid)	22.6	31.0	37.8
Standard Region			
North	3.3	2.8	22.7
Yorkshire and Humberside	9.4	9.6	28.0
East Midlands	3.6	3.5	26.9
West Midlands	7.5	6.2	22.7
East Anglia	9.8	8.0	22.4
South East	20.1	26.0	35.6
<i>Table continues...</i>			

Table 10.5: When I Need to Contact an Organisation, I Prefer to Do So by Letter or Fax (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Standard Region (cont.)			
Greater London	9.5	7.3	21.1
South West	10.6	10.3	26.7
North West	11.9	12.4	28.6
Wales	4.7	5.1	29.8
Scotland	9.4	8.9	26.0
Size of Household			
One person	22.4	26.0	31.9
Two person	30.1	28.1	25.6
Three person	19.7	17.1	23.8
Four person	19.3	19.5	27.8
Five person or more	7.7	8.6	30.7
Marital Status			
Married/living as married	53.2	52.3	27.1
Single	29.6	28.3	26.4
Divorced	5.9	5.2	24.3
Widowed	9.1	12.0	36.3
Separated	1.6	0.8	13.7
Presence of Children			
Aged 0-4	10.8	9.3	23.8
Aged 5-9	10.5	9.0	23.7
Aged 10-15	13.4	12.1	24.9
No children	72.9	76.4	28.8

Table continues...

Table 10.5: When I Need to Contact an Organisation, I Prefer to Do So by Letter or Fax (% of respondents), November 2012

...table continued

	Sample		
	Profile (%)	PP%	Pen %
Tenure			
Own home outright	38.6	45.7	32.6
Buying home	35.5	24.7	19.2
Rent from the council	12.0	14.1	32.5
Rent privately	10.1	11.3	30.9
Rent-free occupancy	1.6	3.0	50.6

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

Instant Messenger/Social Media

In recent years, a greater number of contact centres have expanded their communications strategy to include a variety of new channels, such as IM and social media networks, including Facebook and Twitter. Although only 15.1% of respondents had used these types of channels to contact an organisation, it is likely that this figure will continue to grow in the future, as more companies choose to adopt IM and social media channels as communications lines. Generally, IM and social media communications channels were found to have a greater prevalence among those belonging to younger age groups and respondents that were not working (excluding those that were retired or invalid), which often includes students. Respondents in social grade A also registered a high penetration, at 23%, as those belonging to this particular demographic are generally more likely to have access to an Internet-connected computer or other device. Others to favour IM and social media included respondents in two-person households (18.2%) and those with children aged 0 to 4 years old (20%), indicating greater prevalence among young families. However, respondents that were single (22.1%) and separated (25.5%) also registered high penetrations, as did those that lived in privately rented accommodation (29.3%).

Table 10.6: When I Need to Contact an Organisation, I Prefer to Do So by Instant Messenger/Social Media (% of respondents), November 2012			
	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	15.1
Sex			
Male	47.5	49.3	15.6
Female	52.5	50.7	14.5
Age			
16-19	6.3	10.6	25.3
20-24	8.8	15.3	26.1
25-34	17.5	25.8	22.1
35-44	18.4	24.1	19.8
45-54	16.3	9.5	8.8
55-64	13.1	7.1	8.1
65+	19.6	7.7	5.9
Social Grade			
A	4.1	6.2	23.0
B	14.2	15.4	16.3
C1	30.2	24.9	12.4
C2	30.0	32.2	16.2
D	11.2	12.2	16.4
E	10.3	9.1	13.3
Working Status			
Full time (30+ hours a week)	43.8	51.1	17.6
Part time	16.5	15.9	14.5
Not working (excluding retired/invalid) [†]	16.6	23.8	21.6
Not working (retired/invalid)	22.6	9.2	6.1
Standard Region			
North	3.3	2.2	9.9
Yorkshire and Humberside	9.4	3.8	6.1
East Midlands	3.6	2.0	8.4
West Midlands	7.5	13.0	26.1
<i>Table continues...</i>			

Table 10.6: When I Need to Contact an Organisation, I Prefer to Do So by Instant Messenger/Social Media (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Standard Region (cont.)			
East Anglia	9.8	9.6	14.7
South East	20.1	22.6	16.9
Greater London	9.5	5.8	9.3
South West	10.6	8.4	11.9
North West	11.9	15.6	19.7
Wales	4.7	6.4	20.4
Scotland	9.4	10.5	16.8
Size of Household			
One person	22.4	15.6	10.5
Two person	30.1	36.4	18.2
Three person	19.7	19.9	15.2
Four person	19.3	22.2	17.3
Five person or more	7.7	5.9	11.5
Marital Status			
Married/living as married	53.2	47.2	13.4
Single	29.6	43.3	22.1
Divorced	5.9	3.8	9.7
Widowed	9.1	2.5	4.2
Separated	1.6	2.7	25.5
Presence of Children			
Aged 0-4	10.8	14.4	20.0
Aged 5-9	10.5	11.0	15.8
Aged 10-15	13.4	14.7	16.6
No children	72.9	67.2	13.9

Table continues...

Table 10.6: When I Need to Contact an Organisation, I Prefer to Do So by Instant Messenger/Social Media (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Tenure			
Own home outright	38.6	25.3	9.9
Buying home	35.5	38.8	16.5
Rent from the council	12.0	10.5	13.3
Rent privately	10.1	19.6	29.3
Rent-free occupancy	1.6	5.5	51.4

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

Demand for Flexible Communication Channels

The vast majority of people questioned revealed that they liked to choose the way in which they contacted an organisation depending on the circumstances, with 92.6% of respondents agreeing with this statement, indicating a demand for a wide range of communications channels. Penetration was higher among women than men, at 93.1% compared with 92%, and among older age groups, particularly those aged between 45 and 64 years old.

A general downwards trend was observed alongside social grade, with all of those belonging to grade A agreeing with the statement, compared with 78.2% of those in grade E. Furthermore, respondents in work (both part time and full time) were more likely to demand flexibility when contacting an organisation, compared with those not working (including retired/invalid and those that were out of work, e.g. students, unemployed, etc.).

Regionally, respondents living in the West Midlands and Greater London were most likely to agree that they liked to be able to choose the way in which they contacted an organisation, with a penetration of 95.4% each; while those living in the North West were the least concerned regarding this matter (88.2%). Other demographics to observe high penetrations included respondents living in three-person households (96.1%); those that were separated (100%); those with children aged 10 to 15 years old (96.9%); and respondents that were in the process of buying their own home (94.6%).

Table 10.7: I Like to Be Able to Choose the Way I Contact an Organisation, According to the Circumstances (% of respondents), November 2012			
	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	92.6
Sex			
Male	47.5	47.2	92.0
Female	52.5	52.8	93.1
Age			
16-19	6.3	5.2	76.8
20-24	8.8	8.9	93.7
25-34	17.5	17.4	91.9
35-44	18.4	19.0	95.9
45-54	16.3	17.0	96.8
55-64	13.1	13.7	96.9
65+	19.6	18.7	88.2
Social Grade			
A	4.1	4.4	100.0
B	14.2	15.2	99.0
C1	30.2	30.4	93.2
C2	30.0	30.7	94.9
D	11.2	10.5	87.1
E	10.3	8.7	78.2
<i>Table continues...</i>			

Table 10.7: I Like to Be Able to Choose the Way I Contact an Organisation, According to the Circumstances (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Working Status			
Full time (30+ hours a week)	43.8	46.3	97.7
Part time	16.5	17.0	95.2
Not working (excluding retired/invalid) [†]	16.6	14.7	82.1
Not working (retired/invalid)	22.6	21.7	88.8
Standard Region			
North	3.3	3.4	94.0
Yorkshire and Humberside	9.4	9.4	92.9
East Midlands	3.6	3.7	94.9
West Midlands	7.5	7.7	95.4
East Anglia	9.8	9.6	90.2
South East	20.1	20.0	92.1
Greater London	9.5	9.8	95.4
South West	10.6	10.6	92.4
North West	11.9	11.4	88.2
Wales	4.7	4.8	93.6
Scotland	9.4	9.6	94.3
Size of Household			
One person	22.4	22.4	92.3
Two person	30.1	30.8	94.5
Three person	19.7	20.5	96.1
Four person	19.3	18.4	88.1
Five person or more	7.7	7.3	88.5
Marital Status			
Married/living as married	53.2	54.1	94.1
Single	29.6	29.4	91.9
Divorced	5.9	5.8	90.1
Widowed	9.1	8.6	87.3

Table continues...

Table 10.7: I Like to Be Able to Choose the Way I Contact an Organisation, According to the Circumstances (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Marital Status (cont.)			
Separated	1.6	1.7	100.0
Presence of Children			
Aged 0-4	10.8	10.0	85.8
Aged 5-9	10.5	10.1	88.9
Aged 10-15	13.4	14.0	96.9
No children	72.9	73.1	92.9
Tenure			
Own home outright	38.6	38.1	91.5
Buying home	35.5	36.2	94.6
Rent from the council	12.0	11.7	90.6
Rent privately	10.1	10.1	93.1
Rent-free occupancy	1.6	1.6	94.4

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

PROBLEMS WITH AUTOMATED TELEPHONE SERVICES

Demand to Speak to Real Person Still High

Nearly all respondents questioned revealed that they would prefer to speak to a real person rather than an automated answering service when attempting to contact an organisation, with 94.3% agreeing that this was the case. Penetration was higher among women than men, at 96.8% compared with 91.5%; while, in terms of age, those that were 45 to 64 years old were found to place much higher importance on speaking to a live person when telephoning a contact centre.

By social grade, respondents belonging to grade D registered the highest penetration (96.9%), while those in grade B reported the lowest (89.2%). In terms of working status, those that were not working (excluding those that were retired/invalid) were the most likely to agree with the statement (99.3%), as were those living East Anglia and Wales — where all respondents were found to concur. Other demographics to register high penetrations included respondents living in households of five or more people (98%); those that were separated (100%); respondents that had no children (95.3%); and those living in privately rented accommodation (99.6%).

Table 10.8: When I Telephone an Organisation I Would Rather Speak to a Real Person Than to an Automated Answering Service (% of respondents), November 2012

	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	94.3
Sex			
Male	47.5	46.1	91.5
Female	52.5	53.9	96.8
Age			
16-19	6.3	6.4	96.1
20-24	8.8	8.5	90.7
25-34	17.5	17.1	92.2
35-44	18.4	18.1	93.0
45-54	16.3	16.8	97.3
55-64	13.1	13.6	97.7
65+	19.6	19.5	93.7
Social Grade			
A	4.1	4.0	92.0
B	14.2	13.5	89.2
C1	30.2	30.3	94.5
C2	30.0	30.6	96.4
D	11.2	11.5	96.9
E	10.3	10.2	92.9
<i>Table continues...</i>			

Table 10.8: When I Telephone an Organisation I Would Rather Speak to a Real Person Than to an Automated Answering Service (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Working Status			
Full time (30+ hours a week)	43.8	42.7	91.9
Part time	16.5	17.1	97.5
Not working (excluding retired/invalid) [†]	16.6	17.5	99.3
Not working (retired/invalid)	22.6	22.5	93.9
Standard Region			
North	3.3	3.5	97.6
Yorkshire and Humberside	9.4	9.4	94.3
East Midlands	3.6	3.5	91.8
West Midlands	7.5	7.2	90.4
East Anglia	9.8	10.4	100.0
South East	20.1	21.1	99.0
Greater London	9.5	8.5	84.8
South West	10.6	10.6	93.9
North West	11.9	11.2	88.9
Wales	4.7	5.0	100.0
Scotland	9.4	9.6	95.4
Size of Household			
One person	22.4	22.9	96.1
Two person	30.1	29.9	93.4
Three person	19.7	20.0	95.5
Four person	19.3	18.8	91.6
Five person or more	7.7	8.0	98.0
Marital Status			
Married/living as married	53.2	53.1	94.2
Single	29.6	29.9	95.4
Divorced	5.9	5.8	92.5
Widowed	9.1	9.0	93.9

Table continues...

Table 10.8: When I Telephone an Organisation I Would Rather Speak to a Real Person Than to an Automated Answering Service (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Marital Status (cont.)			
Separated	1.6	1.7	100.0
Presence of Children			
Aged 0-4	10.8	10.5	91.9
Aged 5-9	10.5	10.2	91.4
Aged 10-15	13.4	13.1	92.1
No children	72.9	73.7	95.3
Tenure			
Own home outright	38.6	39.2	95.9
Buying home	35.5	34.7	92.4
Rent from the council	12.0	11.8	92.8
Rent privately	10.1	10.7	99.6
Rent-free occupancy	1.6	1.6	93.5

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

Between 2002 and 2007, a noticeable upwards trend was observed in the proportion of respondents preferring to speak to a real person rather than an automated answering machine, with penetration rising from 73% to 98.1% over this 5-year period. Since then, however, a decline has been observed in the number of people agreeing with this statement, after penetration dropped to 97.4% in 2009 before falling slightly further to 94.3% in 2012. This could indicate that customers are becoming more used to navigating around self-service automated systems in contact centres, with many organisations implementing this type of technology in the hope of reducing call waiting times and call volume. Nevertheless, the proportion of people that still prefer talking to a live agent is extremely high.

Penetration also fell slightly among both men and women over the past few years, standing at 91.5% and 96.8%, respectively, in 2012. Noticeable declines in penetration were observed among younger age groups since 2007; while more incremental decreases were reported among older age groups, with those aged 55 to 64 even witnessing a small increase to 97.7% in 2012, from 97.5% in 2009.

The high penetrations observed across the gender and age demographics displayed in Table 10.9 indicate that the majority of people would still prefer to speak to a live agent in comparison with an automated answering service, with this particular issue becoming increasingly important in recent years, following a rising number of organisations installing automated machines and self-service options within their contact centres. This suggests that contact centres still have a long way to go in achieving the correct mix of self-service and live agent interaction within their businesses; or that they should look at the possibility of installing more sophisticated automated answering services.

Table 10.9: When I Telephone an Organisation I Would Rather Speak to a Real Person Than to an Automated Answering Service (% of respondents), 2002-2005, 2007, 2009 and 2012

	2002	2003	2004	2005	2007	2009	2012
All adults	73.0	58.0	79.0	87.0	98.1	97.4	94.3
Sex							
Male	70.0	57.0	76.0	88.0	98.7	97.9	91.5
Female	76.0	58.0	82.0	87.0	97.5	97.0	96.8
Age							
15-24	69.0	52.0	73.0	^t 90.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
16-19	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	100.0	97.4	96.1
20-24	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	98.9	100.0	90.7
25-34	69.0	59.0	71.0	89.0	100.0	95.5	92.2
<i>Table continues...</i>							

Table 10.9: When I Telephone an Organisation I Would Rather Speak to a Real Person Than to an Automated Answering Service (% of respondents), 2002-2005, 2007, 2009 and 2012

...table continued

	2002	2003	2004	2005	2007	2009	2012
Age (cont.)							
35-44	75.0	53.0	77.0	85.0	97.3	98.2	93.0
45-54	84.0	62.0	83.0	88.0	97.4	97.8	97.3
55-64	72.0	63.0	87.0	86.0	99.7	97.5	97.7
65+	70.0	58.0	83.0	85.0	95.8	97.0	93.7

n.a. — not available

† — 16-24 in 2005

Weighted sample: 1,028 in 2002; 1,011 in 2003; 996 in 2004; 1,025 in 2005; 1,000 in 2007; 1,000 in 2009; and 1,000 in 2012

Base: all adults aged 16+

Source: Key Note

Time Wasting

One of the biggest problems that customers have with the automated telephone answering systems used by contact centres is that they waste time while being transferred through self-service systems in order to be connected to the correct person or department. While self-service systems can often save call time and reduce call volumes for call centres, it can have the adverse effect for customers.

Over four-fifths (85.6%) of respondents revealed that they felt using automated telephone answering systems often wasted time, with more women than men agreeing with this statement, at 87.9% compared with 83.1%. Respondents aged 25 to 34 years old (94.1%) were the most likely to feel like they wasted time using automated answering systems, as did those in higher social grades and those that were either in full- or part-time employment.

In terms of region, those living in Greater London (89.6%) were the most likely to feel like they had wasted time using self-service automated services; as were respondents in three-person households (93.5%); those that were married/ living as married (88%); respondents with children aged 0 to 4 years old (94.9%); and those that lived in privately rented accommodation or rent-free occupancy (92.4% each).

Table 10.10: I Waste Time Waiting for Automated Telephone Answering Systems to Connect Me to the Correct Person or Department (% of respondents), November 2012			
	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	85.6
Sex			
Male	47.5	46.1	83.1
Female	52.5	53.9	87.9
Age			
16-19	6.3	4.7	64.0
20-24	8.8	9.2	89.9
25-34	17.5	19.3	94.1
35-44	18.4	18.1	84.2
45-54	16.3	17.1	90.1
55-64	13.1	13.5	88.3
65+	19.6	18.1	78.9
Social Grade			
A	4.1	4.5	94.7
B	14.2	15.2	91.5
C1	30.2	30.0	85.0
C2	30.0	30.6	87.5
D	11.2	10.9	83.0
E	10.3	8.8	73.2
Working Status			
Full time (30+ hours a week)	43.8	46.0	89.8
Part time	16.5	18.1	93.8
Not working (excluding retired/invalid) [†]	16.6	14.9	76.9
Not working (retired/invalid)	22.6	20.8	78.7
Standard Region			
North	3.3	3.2	82.5
Yorkshire and Humberside	9.4	8.5	77.5
East Midlands	3.6	3.6	85.9
West Midlands	7.5	7.5	86.0
<i>Table continues...</i>			

Table 10.10: I Waste Time Waiting for Automated Telephone Answering Systems to Connect Me to the Correct Person or Department (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Standard Region (cont.)			
East Anglia	9.8	10.0	87.3
South East	20.1	19.9	84.7
Greater London	9.5	9.9	89.6
South West	10.6	11.0	88.8
North West	11.9	11.8	84.9
Wales	4.7	4.8	87.7
Scotland	9.4	9.6	86.8
Size of Household			
One person	22.4	21.5	82.1
Two person	30.1	30.6	87.0
Three person	19.7	21.6	93.5
Four person	19.3	17.9	79.2
Five person or more	7.7	7.8	87.3
Marital Status			
Married/living as married	53.2	54.7	88.0
Single	29.6	28.9	83.6
Divorced	5.9	5.9	85.8
Widowed	9.1	8.4	79.6
Separated	1.6	1.6	86.7
Presence of Children			
Aged 0-4	10.8	12.0	94.9
Aged 5-9	10.5	10.6	86.5
Aged 10-15	13.4	13.7	87.3
No children	72.9	71.6	84.1

Table continues...

Table 10.10: I Waste Time Waiting for Automated Telephone Answering Systems to Connect Me to the Correct Person or Department (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Tenure			
Own home outright	38.6	38.3	85.0
Buying home	35.5	34.7	83.9
Rent from the council	12.0	12.5	89.6
Rent privately	10.1	10.9	92.4
Rent-free occupancy	1.6	1.7	92.4

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

Similar to the trends observed in Table 10.9 — which showed the proportion of respondents that preferred talking to a live call centre agent rather than an automated answering service — the proportion of people that felt they were wasting time when using an automated system was also high. Although penetration fell in 2003 from 62% to 50%, it has since continued to climb, peaking at 91% in 2005. Since then, a drop in the proportion of people that agreed with this statement was observed in 2007 and 2009, before levels began to rise again slightly in 2012 to 85.6%, up from 83.6% in 2009.

Although the majority of age groups observed an increase in penetration between 2009 and 2012, some actually reported a decline, including those aged 16 to 19 years old, those aged 35 to 44 years old and respondents aged 55 years old and over, suggesting that some improvements may have begun to be made by companies investing in or upgrading self-service technology over the past few years. Nevertheless, overall, penetration has remained high, indicating that much still needs to be done in order for automated answering machines to be successfully utilised by customers and to ensure that consumer needs are met when using such systems.

Table 10.11: I Waste Time Waiting for Automated Telephone Answering Systems to Connect Me to the Correct Person or Department (% of respondents), 2002-2005, 2007, 2009 and 2012

	2002	2003	2004	2005	2007	2009	2012
All adults	62.0	50.0	54.0	91.0	90.4	83.6	85.6
Sex							
Male	60.0	49.0	49.0	90.0	91.3	79.7	83.1
Female	63.0	51.0	59.0	92.0	89.6	87.3	87.9
Age							
15-24	51.0	44.0	35.0	[†] 88.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
16-19	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	87.2	70.1	64.0
20-24	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	85.2	83.2	89.9
25-34	64.0	51.0	51.0	89.0	90.9	78.0	94.1
35-44	70.0	54.0	54.0	92.0	90.9	89.6	84.2
45-54	68.0	56.0	65.0	95.0	93.3	89.5	90.1
55-64	66.0	52.0	63.0	95.0	94.6	89.9	88.3
65+	52.0	46.0	56.0	85.0	87.9	78.9	78.9
<i>n.a.</i> — not available							
[†] — 16-24 in 2005							
Weighted sample: 1,028 in 2002; 1,011 in 2003; 996 in 2004; 1,025 in 2005; 1,000 in 2007; 1,000 in 2009; and 1,000 in 2012							
Base: all adults aged 16+							
Source: Key Note							

QUERIES AND COMPLAINTS HANDLING

Queries

Nearly four-fifths (78.2%) of respondents revealed queries made through contact centres were answered to their satisfaction, showing some improvement from 2009 — the last year that the same survey was undertaken — when 75.7% agreed with the same statement. Men were more likely to have experienced satisfactory outcomes after using contact centres, at 80% compared with 76.5%; while, in terms of age, those that were aged 20 to 24 reported the highest levels of satisfaction at 100%.

By social grade, respondents belonging to grades B and C1 were the most likely to have had a satisfactory experience when making queries using a contact centre, as were those that were not working, excluding those that were retired/invalid (82.6%) and respondents that lived in Yorkshire and Humberside (82.5%). Other demographics to observe high levels of satisfaction after contacting an organisation in order to make a query included those that lived in four-person households (83.7%); those that were separated (94.2%); respondents with children aged 5 to 9 years old (79.6%); and those that were living in accommodation rented from the council (83.8%).

Table 10.12: When I Telephone an Organisation With a Query, It Is Usually Answered to My Satisfaction (% of respondents), November 2012

	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	78.2
Sex			
Male	47.5	48.6	80.0
Female	52.5	51.4	76.5
Age			
16-19	6.3	7.5	92.4
20-24	8.8	11.3	100.0
25-34	17.5	16.7	74.5
35-44	18.4	18.8	79.7
45-54	16.3	15.5	74.2
55-64	13.1	12.3	73.4
65+	19.6	18.1	72.0
Social Grade			
A	4.1	3.8	72.8
B	14.2	14.6	80.4
C1	30.2	31.4	81.3
C2	30.0	28.7	74.9
D	11.2	11.2	77.9
E	10.3	10.2	77.5
<i>Table continues...</i>			

Table 10.12: When I Telephone an Organisation With a Query, It Is Usually Answered to My Satisfaction (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Working Status			
Full time (30+ hours a week)	43.8	44.8	79.9
Part time	16.5	15.7	74.5
Not working (excluding retired/invalid) [†]	16.6	17.5	82.6
Not working (retired/invalid)	22.6	21.8	75.4
Standard Region			
North	3.3	3.1	71.9
Yorkshire and Humberside	9.4	9.9	82.5
East Midlands	3.6	3.6	78.6
West Midlands	7.5	7.0	73.6
East Anglia	9.8	9.7	77.2
South East	20.1	19.5	75.7
Greater London	9.5	9.4	77.8
South West	10.6	11.2	82.1
North West	11.9	12.0	78.3
Wales	4.7	4.6	76.6
Scotland	9.4	9.9	82.2
Size of Household			
One person	22.4	21.3	74.2
Two person	30.1	29.6	76.8
Three person	19.7	20.5	81.2
Four person	19.3	20.7	83.7
Five person or more	7.7	7.4	75.0
Marital Status			
Married/living as married	53.2	51.9	76.3
Single	29.6	32.3	85.3
Divorced	5.9	4.8	63.4
Widowed	9.1	8.7	75.3

Table continues...

Table 10.12: When I Telephone an Organisation With a Query, It Is Usually Answered to My Satisfaction (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Marital Status (cont.)			
Separated	1.6	1.9	94.2
Presence of Children			
Aged 0-4	10.8	11.0	79.4
Aged 5-9	10.5	10.7	79.6
Aged 10-15	13.4	12.9	75.2
No children	72.9	72.8	78.1
Tenure			
Own home outright	38.6	37.2	75.5
Buying home	35.5	36.3	80.0
Rent from the council	12.0	12.8	83.8
Rent privately	10.1	9.7	75.5
Rent-free occupancy	1.6	1.6	79.6

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

Complaints

An increase in the proportion of customers that felt that complaints made to contact centres had been satisfactorily resolved was also observed between 2009 and 2012, with penetration rising from 67.9% to 71.3% over the 3-year period. Women were more likely to agree with the statement than men, at 72.3% compared with 70.1%; as were those belonging to the middle age groups, particularly respondents aged between 25 and 44 years old.

Respondents belonging to social grade C1 were the most likely to feel that complaints made via telephone were resolved satisfactorily (77.4%), compared with those in social grade A, who were the least likely to do so (61.2%). Furthermore, respondents in work (both full- and part-time) reported higher penetrations than those that were out of work, both those that were retired/invalid and those that were unemployed (e.g. students, those out of work, etc.). In terms of region, those living in Greater London were the most satisfied with contact centres' complaints handling procedures (80.6%), compared with those residing in the West Midlands, who were the least likely to be satisfied (57.8%).

Other demographics to register high satisfaction levels included those living in households of five people or more (82%); respondents that were married/living as married (75.9%); those with children aged 5 to 9 years old (85.1%); and those that were in the process of buying their own home (74.7%).

Table 10.13: When I Telephone an Organisation With a Complaint, It Is Usually Resolved to My Satisfaction (% of respondents), November 2012

	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	71.3
Sex			
Male	47.5	46.7	70.1
Female	52.5	53.3	72.3
Age			
16-19	6.3	6.0	67.5
20-24	8.8	8.1	65.2
25-34	17.5	19.9	80.8
35-44	18.4	20.2	78.5
45-54	16.3	15.9	69.8
55-64	13.1	12.4	67.6
65+	19.6	17.5	63.6
Social Grade			
A	4.1	3.5	61.2
B	14.2	14.3	71.8
C1	30.2	32.8	77.4
<i>Table continues...</i>			

Table 10.13: When I Telephone an Organisation With a Complaint, It Is Usually Resolved to My Satisfaction (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Social Grade (cont.)			
C2	30.0	30.1	71.6
D	11.2	9.7	61.8
E	10.3	9.5	65.5
Working Status			
Full time (30+ hours a week)	43.8	47.2	76.8
Part time	16.5	16.3	70.2
Not working (excluding retired/invalid) [†]	16.6	15.6	67.0
Not working (retired/invalid)	22.6	20.8	65.5
Standard Region			
North	3.3	3.1	66.4
Yorkshire and Humberside	9.4	9.5	72.3
East Midlands	3.6	3.6	70.3
West Midlands	7.5	6.1	57.8
East Anglia	9.8	9.9	72.1
South East	20.1	19.7	69.7
Greater London	9.5	10.7	80.6
South West	10.6	11.6	77.8
North West	11.9	11.2	66.9
Wales	4.7	4.4	65.9
Scotland	9.4	10.2	77.0
Size of Household			
One person	22.4	20.0	63.7
Two person	30.1	29.5	69.7
Three person	19.7	20.4	73.5
Four person	19.3	20.8	76.6
Five person or more	7.7	8.8	82.0

Table continues...

Table 10.13: When I Telephone an Organisation With a Complaint, It Is Usually Resolved to My Satisfaction (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Marital Status			
Married/living as married	53.2	56.6	75.9
Single	29.6	28.1	67.6
Divorced	5.9	4.8	57.9
Widowed	9.1	8.8	68.9
Separated	1.6	1.6	69.6
Presence of Children			
Aged 0-4	10.8	12.6	83.3
Aged 5-9	10.5	12.5	85.1
Aged 10-15	13.4	13.4	71.2
No children	72.9	70.6	69.0
Tenure			
Own home outright	38.6	37.7	69.6
Buying home	35.5	37.2	74.7
Rent from the council	12.0	12.2	72.4
Rent privately	10.1	10.1	71.4
Rent-free occupancy	1.6	1.9	86.1

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

THE SUCCESS OF TELESALES

The greatest proportion of respondents hardly ever purchased goods off of telesales agents (46.6%), while 13.5% purchased things from time to time. However, nearly a third (30.5%) bought things from telesales agents on a frequent basis.

Women were more likely than men to purchase goods from telephone salespeople frequently (34.5%), while men were more likely to do so from time to time (15.3%) or hardly ever (47%). In terms of age, younger and older age groups were less inclined to buy things via telesales, while those in younger age groups were more likely to frequently be persuaded or felt more under pressure to do so, with 39.8% of those aged 20 to 24 years old agreeing that this was the case. Telesales was more popular among those in the middle social grades (i.e. C1, C2 and D), while those in grade B hardly ever purchased things in this way (54.6%) and 15.2% of those belonging to grade C2 did so from time to time.

Respondents that were not working (retired/invalid) registered higher penetrations for hardly ever purchasing goods or services or feeling under pressure to do so from telesales agents (52.1%), and for doing so from time to time (15.3%). In comparison, nearly half (44.8%) of those working part time frequently bought items via telesales agents. Regionally, respondents living in the East Midlands were the most likely to frequently buy goods or services following a sales call, while those living in Wales were most inclined to do so from time to time (24%) and those residing in the North West, hardly ever (67%).

Other demographics that were found to be the most frequent purchasers of goods and services following a telesales call included those that lived in three-person households (37.2%); respondents that were separated (48.7%); those with young children aged 0 to 4 years old (45.4%); and those that lived in council-rented accommodation (38.4%). In contrast, respondents that were most likely to hardly ever purchase goods in this way included those living in smaller households of one or two people; respondents that were widowed (56.7%); those that had no children (49.6%); and those living in rent-free accommodation (57.8%)

Table 10.14: Percentage of Respondents That Are Persuaded by Telesales Agents to Purchase Something or Are Made to Feel Under Pressure (% of respondents), November 2012

	Hardly Ever	Time to Time	Frequently
All adults	46.6	13.5	30.5
Sex			
Male	47.0	15.3	26.0
Female	46.3	11.8	34.5
Age			
16-19	50.2	12.7	33.2
20-24	44.1	7.7	39.8
25-34	47.0	11.1	32.5
35-44	43.5	13.5	31.4
45-54	45.8	13.3	30.5
55-64	45.7	17.4	27.2
65+	50.5	15.9	24.9
Social Grade			
A	49.7	8.0	28.3
B	54.6	13.1	20.9
C1	41.7	14.4	34.5
C2	46.3	15.2	28.0
D	48.6	9.8	34.7
E	47.3	12.3	35.2
Working Status			
Full time (30+ hours a week)	50.7	14.3	26.0
Part time	33.9	13.5	44.8
Not working (excluding retired/ invalid) [†]	40.7	8.3	37.5
Not working (retired/invalid)	52.1	15.3	24.2
Standard Region			
North	47.3	8.1	34.4
Yorkshire and Humberside	49.0	20.1	27.7
East Midlands	44.0	3.5	35.9
West Midlands	47.9	7.8	27.7
<i>Table continues...</i>			

Table 10.14: Percentage of Respondents That Are Persuaded by Telesales Agents to Purchase Something or Are Made to Feel Under Pressure (% of respondents), November 2012

...table continued

	Hardly Ever	Time to Time	Frequently
Standard Region (cont.)			
East Anglia	49.2	9.4	25.9
South East	44.4	10.6	34.1
Greater London	43.3	14.2	32.5
South West	36.3	19.1	32.6
North West	67.0	9.1	21.8
Wales	37.1	24.0	32.0
Scotland	40.2	20.6	34.7
Size of Household			
One person	51.2	16.0	27.5
Two person	52.2	10.3	29.7
Three person	35.2	16.2	37.2
Four person	43.7	11.9	30.3
Five person or more	46.3	15.9	26.5
Marital Status			
Married/living as married	44.3	12.2	31.5
Single	48.9	13.4	31.0
Divorced	44.1	16.4	31.2
Widowed	56.7	17.5	21.4
Separated	35.8	10.0	48.7
Presence of Children			
Aged 0-4	33.1	12.8	45.4
Aged 5-9	43.4	20.2	26.3
Aged 10-15	43.9	15.9	23.1
No children	49.6	12.9	29.6

Table continues...

Table 10.14: Percentage of Respondents That Are Persuaded by Telesales Agents to Purchase Something or Are Made to Feel Under Pressure (% of respondents), November 2012

...table continued

	Hardly Ever	Time to Time	Frequently
Tenure			
Own home outright	47.4	16.9	26.4
Buying home	46.0	10.6	34.0
Rent from the council	41.2	11.9	38.4
Rent privately	52.2	9.9	34.7
Rent-free occupancy	57.8	29.0	6.6

PP — purchasing profile
Pen — penetration
t — e.g. studying, not looking for work or unemployed
Weighted sample: 1,000
Base: all adults aged 16+

Source: Key Note

Nearly three quarters (74.7%) of respondents revealed that they did not accept telephone calls from salespersons unless they had contacted them previously, with more women than men agreeing that this was the case, at 78.1% compared with 71%. Respondents belonging to older age groups were more likely to ignore sales calls unless having contacted organisations previously, as were those in the middle social grades, such as B, C1 and C2.

Respondents that worked part time registered the highest penetration (79.6%); while those not working (excluding those that were retired/invalid) reported the lowest (68.8%). By region, those living in the East Midlands were the most likely to ignore sales calls unless previously giving permission (84.4%), which compared with 64.9% of those living in the West Midlands, where people were less likely to do the same.

Other demographics to observe high levels of penetration included those living in one-person households (76.4%); respondents that were widowed (83.5%); those with young children aged 0 to 4 years old (76.1%); and those that own their own home outright (77.4%).

Table 10.15: I Do Not Accept Telephone Calls From Salespersons Unless I Have Contacted Them Previously (% of respondents), November 2012			
	Sample Profile (%)	PP%	Pen %
All adults	100.0	100.0	74.7
Sex			
Male	47.5	45.1	71.0
Female	52.5	54.9	78.1
Age			
16-19	6.3	5.5	65.4
20-24	8.8	7.6	64.2
25-34	17.5	18.1	77.2
35-44	18.4	18.4	74.9
45-54	16.3	15.9	73.1
55-64	13.1	14.3	81.5
65+	19.6	20.2	76.8
Social Grade			
A	4.1	3.4	61.9
B	14.2	14.1	74.2
C1	30.2	31.4	77.6
C2	30.0	30.0	74.7
D	11.2	11.3	75.1
E	10.3	9.9	71.7
Working Status			
Full time (30+ hours a week)	43.8	43.5	74.2
Part time	16.5	17.6	79.6
Not working (excluding retired/invalid) [†]	16.6	15.3	68.8
Not working (retired/invalid)	22.6	23.4	77.3
Standard Region			
North	3.3	3.1	69.2
Yorkshire and Humberside	9.4	9.3	74.2
East Midlands	3.6	4.1	84.4
West Midlands	7.5	6.5	64.9
<i>Table continues...</i>			

Table 10.15: I Do Not Accept Telephone Calls From Salespersons Unless I Have Contacted Them Previously (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Standard Region (cont.)			
East Anglia	9.8	9.0	68.4
South East	20.1	20.9	77.4
Greater London	9.5	9.1	71.5
South West	10.6	11.9	83.9
North West	11.9	11.6	72.9
Wales	4.7	4.7	74.2
Scotland	9.4	9.8	77.5
Size of Household			
One person	22.4	22.9	76.4
Two person	30.1	30.0	74.4
Three person	19.7	19.6	74.1
Four person	19.3	19.1	73.9
Five person or more	7.7	7.8	75.8
Marital Status			
Married/living as married	53.2	54.6	76.7
Single	29.6	28.2	71.2
Divorced	5.9	5.4	67.9
Widowed	9.1	10.1	83.5
Separated	1.6	1.4	64.1
Presence of Children			
Aged 0-4	10.8	11.0	76.1
Aged 5-9	10.5	10.4	74.3
Aged 10-15	13.4	13.0	72.4
No children	72.9	72.9	74.7

Table continues...

Table 10.15: I Do Not Accept Telephone Calls From Salespersons Unless I Have Contacted Them Previously (% of respondents), November 2012

...table continued

	Sample Profile (%)	PP%	Pen %
Tenure			
Own home outright	38.6	39.9	77.4
Buying home	35.5	34.9	73.5
Rent from the council	12.0	12.2	76.1
Rent privately	10.1	9.0	66.7
Rent-free occupancy	1.6	1.7	78.9

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

ISSUES WITH COMMUNICATION OVER THE PHONE

The majority of respondents understood call centre staff from time to time (38.4%), while 34.4% understood staff on a frequent basis. Despite this, over a quarter (26%) of respondents revealed that they hardly ever understood call centre staff. While women were more likely to have the most difficulty understanding call centre staff, men were more likely to understand call operatives from time to time (38.5%) or on a frequent basis (36.3%). A clear disparity was also observed in terms of age, with respondents belonging to younger age groups — i.e. aged between 20 and 34 — being the most likely to comprehend call agents frequently; while those in middle age groups tended to understand call centre staff from time to time and those in older age groups hardly ever understood agents.

By social grade, respondents in grade D were more likely to have the most trouble understanding call centre staff, with 33.9% revealing that they hardly ever comprehended call operatives; while those in grade B were the most likely to understand staff from time to time (45.5%) and those in grade C2 registered the highest penetration for frequently understanding staff (38.5%). Generally, those working — either part or full time — encountered the least difficulty when communicating with call centre staff. In comparison, those that were not working (retired/invalid) had the most difficulty, with 36% revealing that they hardly ever understood call operatives. This could be down to the larger number of older consumers belonging to this particular demographic.

Other groups to experience difficulties in communication when talking to a call centre operative included those living in the West Midlands (35.4%); respondents residing in one-person households (30.7%); those that were widowed (42.1%); those without any children (28.5%); and those that lived in council-rented accommodation (40.4%). These results suggest that older consumers, who live by themselves and are retired, generally encounter the most difficulties when attempting to understand call centre agents.

In contrast, respondents that lived in the North (46.4%); as well as those that resided in four-person households (41%); were separated (54.9%); had children aged between 5 and 9 (45.2%); and lived in privately rented accommodation (35.9%) or rent-free occupancy (53%), were the least likely to encounter difficulties in understanding and communicating with call centre staff and frequently comprehended call centre operatives.

Table 10.16: Penetration of Respondents that Understand Call Centre Staff Hardly Ever, From Time to Time or Frequently (% of respondents), November 2012

	Hardly Ever	Time to Time	Frequently
All adults	26.0	38.4	34.4
Sex			
Male	24.6	38.5	36.3
Female	27.3	38.3	32.6
Age			
16-19	51.1	28.6	20.3
20-24	4.1	45.8	50.1
25-34	15.1	32.6	52.3
35-44	23.8	42.3	30.6
45-54	22.8	41.0	35.6
55-64	32.2	41.3	25.3
<i>Table continues...</i>			

Table 10.16: Penetration of Respondents that Understand Call Centre Staff Hardly Ever, From Time to Time or Frequently (% of respondents), November 2012

...table continued

	Hardly Ever	Time to Time	Frequently
Age (cont.)			
65+	38.1	35.6	24.2
Social Grade			
A	32.1	38.7	27.8
B	19.0	45.5	34.1
C1	23.7	40.0	35.7
C2	26.0	34.1	38.5
D	33.9	35.5	30.5
E	31.4	39.5	25.5
Working Status			
Full time (30+ hours a week)	21.8	41.5	36.4
Part time	20.8	33.8	43.3
Not working (excluding retired/ invalid) [†]	28.8	34.4	35.3
Not working (retired/invalid)	36.0	38.0	23.7
Standard Region			
North	21.0	32.7	46.4
Yorkshire and Humberside	27.0	32.3	40.1
East Midlands	17.7	42.3	39.0
West Midlands	35.4	32.1	30.8
East Anglia	24.4	37.9	35.4
South East	27.6	29.5	39.7
Greater London	20.0	41.4	38.6
South West	33.0	44.4	21.8
North West	21.2	43.4	34.9
Wales	27.6	49.9	22.5
Scotland	24.1	47.4	27.9
<i>Table continues...</i>			

Table 10.16: Penetration of Respondents that Understand Call Centre Staff Hardly Ever, From Time to Time or Frequently (% of respondents), November 2012

...table continued

	Hardly Ever	Time to Time	Frequently
Size of Household			
One person	30.7	34.4	33.5
Two person	27.6	42.5	29.3
Three person	23.8	40.1	35.4
Four person	26.4	30.3	41.0
Five person or more	10.1	47.5	39.5
Marital Status			
Married/living as married	24.3	40.2	33.7
Single	24.9	38.3	36.4
Divorced	26.7	35.6	36.2
Widowed	42.1	29.3	27.9
Separated	8.2	36.9	54.9
Presence of Children			
Aged 0-4	20.6	37.8	41.6
Aged 5-9	14.0	40.4	45.2
Aged 10-15	20.8	41.9	33.6
No children	28.5	38.6	31.9
Tenure			
Own home outright	29.3	33.6	35.5
Buying home	22.2	43.8	33.2
Rent from the council	40.4	30.2	27.4
Rent privately	17.4	46.7	35.9
Rent-free occupancy	5.6	34.9	53.0

PP — purchasing profile

Pen — penetration

t — e.g. studying, not looking for work or unemployed

Weighted sample: 1,000

Base: all adults aged 16+

Source: Key Note

11. Competitor Analysis

INTRODUCTION

This chapter contains profiles of some of the largest companies that dominate or have operations within the contact centres market. It should be noted, however, that due to the diverse nature of businesses that operate in-house contact centres, this section will primarily concentrate on outsourcers. Profiles for some of the leading software and technology suppliers that provide solutions to the contact centres industry have also been included.

OUTSOURCERS

Capita PLC

Capita PLC is the UK's leading business process outsourcing (BPO) and professional services company. It delivers a range of back office administration services, as well as contact centre solutions to businesses operating within both the private and public sectors, across the UK and the Republic of Ireland. The company currently employs around 46,500 people across its operations and has a number of high-profile clients, including insurance firm Zurich; the BBC's television licensing operations; the Teachers' Pension Scheme; and the Criminal Records Bureau (CRB).

Capita was originally formed as a division within the Chartered Institute of Public Finance and Accountancy (CIPFA) in 1984, before being launched as an independent company following a management buyout (MBO) backed by 33 investors in 1987. Since then, the company has continued to expand through a number of acquisitions and has won a wide range of lucrative contracts across a range of sectors. In July 2011, the company acquired contact centre specialist Ventura for a cash consideration of £65m. Ventura (trading name Club 24 Ltd) is the third-party customer services management arm of Next PLC, managing more than 50 million contacts each year including both public- and private-sector clients, such as O2, British Gas and BMI. In the same year, Capita also revealed that it had continued its acquisition spree after purchasing the private-sector division of contact centre group Vertex, which manages contracts for Marks & Spencer (M&S), The National Trust and Scottish Power, for a cash consideration of £40.5m. Both these acquisitions have served to boost Capita's position within the UK market.

More recent acquisitions have included medical assessment and criminal justice support services firm Reliance Secure Task Management, which provides forensic medical services, custody support and secure transport services to clients such as the UK Border Agency, the Ministry of Justice, National Health Service (NHS) Trusts and the police forces, which Capita purchased for £20m in August 2012. In the same month, the BPO specialist announced that it had purchased business travel firm Expotel for a consideration of £16m. Furthermore, in September 2012, Capita revealed that it had acquired financial services outsourcing specialist Whale Rock Accounting for an undisclosed sum; this was followed by the acquisition of Medicare First, a social work recruitment consultancy, in October 2012.

Table 11.1 displays the most recent annual financial results for Capita Business Services Ltd, a subsidiary of Capita PLC, which is principally responsible for the provision of outsourcing solutions including customer services, information technology (IT), business support and consultancy, administration, and recruitment services. In the year ending 31st December 2011, Capita Business Services Ltd registered a turnover of £885.1m and a pre-tax profit of £215.1m. This compares with a turnover of £941.4m and a pre-tax profit of £203m in the previous year.

Table 11.1: Financial Results for Capita Business Services Ltd (£m), Years Ending 31st December 2009-2011

	2009	2010	2011
Turnover	1,017.3	941.4	885.1
% change year-on-year	-	-7.5	-6.0
Pre-tax profit	225.5	203.0	215.1
% change year-on-year	-	-10.0	6.0

Source: Key Note

CPM UK Ltd

CPM UK Ltd is part of Omnicom Group's Diversified Agency Services (DAS), which provides a variety of marketing disciplines to its clients. CPM provides outsourced outbound telesales and customer care services, including sales force, tactical merchandising and dedicated customer care. The company provides brand management, as well as data management and fulfilment services, and logistics and distribution. It also operates a mystery shopping division, which assesses sales and customer handling processes. The company's clients have included a number of well-known brands including Mercedes-Benz, British Gas, Procter & Gamble (P&G), Kellogg's, ASDA and Diageo, among others.

The company's contact centre services include a high-performance sales centre, which focuses on sales process planning; market intelligence; the provision of direct and indirect sales campaigns; and contact centre training. CPM also runs a customer experience centre that delivers quality customer experiences; outbound consumer communications; white mail, telephone and Internet enquiries; customer complaints and requests; and product information services.

According to the company's latest financial accounts, in the year ending 31st December 2011, CPM UK registered a pre-tax profit of £7.1m on a turnover of £100.8m. This compares with a pre-tax profit of £5.7m and a turnover of £90.3m in the previous year.

**Table 11.2: Financial Result for CPM UK Ltd (£m),
Years Ending 31st December 2009-2011**

	2009	2010	2011
Turnover	81.3	90.3	100.8
<i>% change year-on-year</i>	-	11.1	11.6
Pre-tax profit	6.1	5.7	7.1
<i>% change year-on-year</i>	-	-6.6	24.6
<i>Source: Key Note</i>			

Geoban UK Ltd

Geoban SA was originally founded in 2003 and is headquartered in Spain. The company was established in order to supply BPO services to the financial sector, serving the Santander Group entities and banks based in Europe and the Americas through several locally based offices and contact centre operations. Geoban currently has offices in locations around the world including in Spain, Portugal, the UK, Poland, Mexico, Argentina and the US. The company's UK offices were first opened towards the end of 2007, initially to manage the bank's mortgage loan activities — the main business of Santander UK, which also owns Abbey, Alliance & Leicester (A&L) and parts of Bradford & Bingley (B&B).

The main services offered by Geoban to the Santander Group include the management of asset and liabilities accounts; foreign trade services; integral management solutions covering card payments including fraud prevention; transactional services for securities, liquid assets and collective investment institutions; and the management of activities relating to settlements, renting, factoring, securitisation and insurance.

In the year ending 31st December 2011, Geoban UK Ltd registered a pre-tax profit of £79,000 on a turnover of £133.3m, which compares with a turnover of £112.9m and a pre-tax profit of £7,000 recorded the previous year.

Table 11.3: Financial Results for Geoban UK Ltd (£m and £000), Years Ending 31st December 2009-2011

	2009	2010	2011
Turnover (£m)	42.9	112.9	133.3
% change year-on-year	-	163.2	18.1
Pre-tax profit (£000)	8	7	79
% change year-on-year	-	-12.5	1,028.6

Source: Key Note

The Innovation Group PLC

BPO and outsourcing solutions expert The Innovation Group PLC was originally established in 1996 as Merlinace, before changing its name in 1999. In 2000, the company undertook an Initial Public Offering (IPO), through which it raised £300m. This investment, along with a number of acquisitions, has resulted in the successful expansion and growth of the company over the past decade or so. The company now provides a wide variety of software and outsourcing solutions to the insurance industry and allied sectors, employing around 2,300 people across offices in 13 different countries. Currently, The Innovation Group services over 800 clients, including 75% of the top 20 global insurance markets and 80% of the top 20 global insurance companies, as well as the majority of the world's top ten fleet and lease management companies and regional leaders in finance. In the UK, clients include the AA, Aviva PLC, Co-operative Insurance Services, GE Capital Fleet Services, KGM Underwriting Agencies Ltd, Lloyds Banking Group, Royal Bank of Scotland (RBS) Insurance and Zurich Financial Services, among many others.

The company's BPO services include policy, warranty, fleet, risk and fraud, and property and subsidence management; as well as claims and incident management, repair and supply network management, and subrogation recovery and salvage.

In the year ending 30th September 2011, The Innovation Group PLC registered a pre-tax profit of £10.2m on a turnover of £175.9m. This compares with a turnover of £162.1m and a pre-tax loss of £1.7m in the previous year.

Table 11.4: Financial Results for The Innovation Group PLC (£m), Years Ending 30th September 2009-2011

	2009	2010	2011
Turnover	155.9	162.1	175.9
% change year-on-year	-	4.0	8.5
Pre-tax profit	-19.8	-1.7	10.2
% change year-on-year	-	†	†
<i>† — in calculable</i>			
<i>Source: Key Note</i>			

Sercos Group PLC

Sercos was originally founded in 1929 as RCA Services Ltd, to support the UK's growing cinema industry. In the 1960s, the company won a contract to supply maintenance for the UK Ballistic Missile Early Warning System (BMEWS) at the Royal Air Force (RAF) base in Fylingdales, a move that began to shape the business' future as a major services outsourcer within the country. Since then, the company has continued to gain further contracts, mainly within the public sector in the UK. In 1987, RCA Services Ltd was the subject of an MBO and was renamed Sercos Ltd. After this, the company continued to expand and diversify its operations by attracting business from the private sector. The company now has a strong international presence, with offices based in Europe, the Middle East, Asia-Pacific and North America, with around 40% of its turnover generated from operations outside of the UK.

Sercos is a leading provider of BPO services to public- and private-sector organisations across the world. It provides a number of solutions, including customer relationship management (CRM), finance and accounting, procurement, human resources (HR), outsourcing and transaction processing, through its 99 contact centres based across ten countries. The company employs around 50,000 people, which process over 90 million interactions in 20 languages across the world. The company also provides consultancy services on a range of subjects, such as IT, risk and resilience and operational strategy; as well as transport solutions, environmental services, and research and knowledge solutions. The company services a range of sectors, including the public sector, technology, leisure and transport industries.

In the UK, Serco is primarily involved in providing outsourced services to the justice, education, health and local authority services. Its commercial clients mainly comprise multi-service facilities management contracts for blue-chip clients, including pharmaceutical giant GlaxoSmithKline (GSK). The company is also a key provider of transport services within the UK and works alongside Abellio, which runs Northern Rail and Merseyrail. In London, the company operates the Docklands Light Railway (DLR), the Barclays Cycle Hire scheme and the East London Traffic Control System, as well as several motorway infrastructure services.

In recent years, the company has continued to expand its contact centre operations through a number of acquisitions. For example, in March 2011, Serco announced that it had acquired The Listening Company, a UK-based provider of outsourced customer contact centre services to both private- and public-sector organisations, for a cash consideration of around £42.1m. More recently, in June 2012, the company revealed that it had purchased the public sector BPO operations of Vertex Data Science Ltd for a cash consideration of £55.5m.

Serco PLC's UK contact centre operations are managed via the company's subsidiary, Serco Listening Company Ltd. According to Serco Listening Company Ltd's most recent financial results, the company registered a turnover of £87.3m in the 61 weeks ending 31st December 2011, up by 6.7% from the 52-week period ending 31st October 2010. However, pre-tax profit fell from a profit of £964,000 to a loss of £9.5m over the same period.

Table 11.5: Financial Results for Serco Listening Company Ltd (£m), Years Ending 31st October 2009-2010 and 61 Weeks Ending 31st December 2011

	2009	2010	2011
Turnover	73.7	81.8	87.3
% change year-on-year	-	11.0	6.7
Pre-tax profit	3.7	0.9	-9.5
% change year-on-year	-	-75.7	†
† — in calculable			
Source: Key Note			

Vertex Data Science Ltd

Vertex is a leading BPO company, employing approximately 11,000 global professionals and servicing around 200 clients across the world, with offices based in 30 locations across the globe including the UK, the US, Australia and India. The company's clients include Hydro Once, Southstar Energy and Oncor. Vertex operates across four main divisions, including:

- BPO & Customer Management Outsourcing — includes collections and special servicing, back office and contact centre solutions, document and payment management, finance and administration and home working solutions
- Consulting & Transformation — includes consulting services for utilities firms, contact centre channel optimisation solutions and optimisation tools to improve customer service experiences
- Decision Sciences — Vertex supplies a range of analytics tools, models and simulations, including data warehousing and business intelligence, as well as statistical analysis and analytic deployment tools, which can identify future trends
- IT Applications & Services — provides a range of IT applications, as well as contact centre software solutions, such as CRM systems and speech recognition and telephony solutions; and employs around 1,000 IT experts.

Over the past year or so, Vertex has undergone a period of restructure after selling off various parts of its business. In November 2011, the company announced that it had sold its private-sector business to competitor Capita Group PLC for a consideration of £40.5m; this was followed, in December 2011, by the MBO of Vertex Australia to a management team led by Vertex Australia's Chief Executive Officer (CEO) Phil Allan for an undisclosed sum. More recently, in June 2012, the company revealed that it had agreed to sell its public-sector business to international services outsourcing firm Serco for an undisclosed amount.

In the year ending 31st March 2012, Vertex Data Science Ltd registered a turnover of £340.4m, down by 17.5% from the £412.6m recorded in the previous year. The company also posted a pre-tax profit of £16.2 in 2012, following a pre-tax loss of £14.5m in 2011.

Table 11.6: Financial Results for Vertex Data Science Ltd (£m), Years Ending 31st March 2010-2012

	2010	2011	2012
Turnover	365.9	412.6	340.4
% change year-on-year	-	12.8	-17.5
Pre-tax profit	32.4	-14.5	16.2
% change year-on-year	-	†	†
† — in calculable			
Source: Key Note			

SOFTWARE AND INFRASTRUCTURE SUPPLIERS

Aspect Software Ltd

Aspect is a global provider of customer contact and workforce optimisation solutions. Software and technology solutions supplied by the company include unified communications (UC) solutions and collaboration platforms such as Microsoft SharePoint, Dynamics CRM and Lync. The company also develops Microsoft-based solutions, such as customer portals, dashboards and mobility solutions, and applies UC technologies in order to streamline customer-company interactions within contact centres and across a firm's wider business activities. Other customer contact solutions provided by Aspect include: inbound automatic call distributors (ACDs); outbound diallers; voice portal/interactive voice response (IVR) solutions; Internet contact/e-mail/web and campaign optimisation; as well as workforce, quality and performance management platforms. Major clients serviced by Aspect have included AmBank Group and British Gas. The company has, so far, helped more than 3,000 clients across 50 countries and employs around 1,900 people.

According to the company's most recent financial accounts, Aspect Software UK Ltd registered a turnover of £48.6m in the year ending 31st December 2011, up by 11.3% from £43.6m. However, pre-tax profit fell by 86% over the same 2-year period, decreasing from £841,000 in 2010 to £118,000 in 2011.

Table 11.7: Financial Results for Aspect Software UK Ltd (£000), Years Ending 31st December 2009-2011

	2009	2010	2011
Turnover	43,222	43,648	48,567
% change year-on-year	-	1.0	11.3
Pre-tax profit	-7,020	841	118
% change year-on-year	-	†	-86.0
† — in calculable			
Source: Key Note			

Avaya UK Ltd

Avaya was originally founded in 2000 after being spun off from enterprise communications group Lucent Technologies, before which it was part of AT&T. In October 2007, the company became privately held, after being acquired by Silver Lake and TPG Capital.

Avaya provides a wide range of BPO solutions, including business collaboration and communications solutions, UC, real-time video collaboration, contact centre services, networking and related to services to companies across the world. The company's contact centre suite — called the Avaya Aura® Contact Center Suite — provides a single, integrated customer queue, using a variety of communications channels such as voice, video, e-mail, chat and social media. Other contact centre solutions supplied by the company include Avaya IQ, an analytics tool that monitors and analyses the performance of contact centres; and Proactive Outreach Manager, which helps staff to manage multichannel operations including automated welcome e-mails, notification calls and text reminders. The company also provides distributed Internet Protocol (IP) contact centre solutions, intelligent customer routing, home agent solutions, self-service and customer experience management solutions.

According to Avaya UK Ltd's most recent financial accounts, the company generated a turnover of £170.1m in the year ending 30th September 2011 and a pre-tax loss of £2.7m. This compares with a turnover of £163.7m and a pre-tax loss of £15.9m in 2010.

**Table 11.8: Financial Results for Avaya UK Ltd (£m),
Years Ending 30th September 2009-2011**

	2009	2010	2011
Turnover	96.7	163.7	170.1
% change year-on-year	-	69.3	3.9
Pre-tax profit	-3.4	-15.9	-2.7
% change year-on-year	-	†	†
<i>† — in calculable</i>			
<i>Source: Key Note</i>			

BT

As well as offering network telecommunications infrastructure to call centre businesses across the UK, BT also provides a wide range of contact centre software and technology solutions through its BT Contact division. Solutions supplied by the company include a variety of agent desktop applications; call and contact recording; pay-as-you-go cloud contact centre solutions; customer premise equipment; inbound services; self-service and queue management platforms; and workforce management solutions. BT provides these products in partnership with a number of contact centre software specialists including Genesys, Cisco and Avaya, among others.

The company also supplies a range of UC solutions through its BT One division, including hosted UC services, IP telephony and voice virtual private networks. It also provides consultancy and advisory solutions for a range of sectors pertaining to the setup and infrastructure implementation involved when opening a contact centre and it works across a number of industries including financial services, retail and private banking, retail, utilities, and the public sector. Clients serviced by BT's contact centre solutions divisions have included Banco Sabadell, Agoda, Lufthansa, Sainsbury's and the Prudential.

BT Global Services manages the provision of contact centre solutions for the BT group. According to its latest financial results, BT Global Services Ltd registered a turnover of £88.8m in the year ending 31st March 2011, down by 2.1% from £90.7m in the previous year. However, pre-tax profit increased over the same period, after rising from a loss of £3.1m in 2010 to a profit of £1.3m in 2011.

Table 11.9: Financial Results for BT Global Services (£000), Years Ending 31st March 2009-2011

	2009	2010	2011
Turnover	70,033	90,712	88,832
% change year-on-year	-	29.5	-2.1
Pre-tax profit	719	-3,077	1,317
% change year-on-year	-	†	†
† — in calculable			
Source: Key Note			

Cisco

US-based firm Cisco was originally formed in 1984 by husband and wife team Len Bosack and Sandy Lerner. While the company provides a wide range of contact centre solutions, it also supplies a variety of network architectures and other networking services, as well as business technology hardware, IP infrastructure and cloud-computing solutions. The company is one of the most prominent networking solutions providers in the world, with 63,000 employees based in 475 offices in 165 countries across the globe.

Cisco provides a wide variety of UC solutions aimed at contact centres and customer service operations. These supply effective management solutions for a range of contact centre activities, such as social media campaigns, call recording, speech analytics, contact routing, network-to-desktop computer telephony integration (CTI), self-service and IVR solutions.

According to the most recent financial accounts reported by Cisco International Ltd, the company registered a turnover of £7.39bn in the year ending 30th July 2011, up by 32.7% from the £5.57bn recorded in the previous year. Pre-tax profit also increased over the same period, rising by 20% from £39.6m to £47.5m.

IBM Global Process Services

IBM Global Process Services, a subsidiary of technology giant IBM, provides a wide range of BPO consultancy services, including CRM solutions; finance and administration; HR; and procurement and supply chain management services.

The company's CRM solutions are designed to appeal to multi-channel contact centres and customer service businesses, and IBM supports a wide range of channels through its UC platform, including voice, digital and written channels; IVR including natural language speech recognition; Internet, video calls, chat and social media; mail and fax; short messaging service (SMS) and automated outbound messaging; e-mail and forums; as well as in-store and face-to-face services. IBM Global Process Services also provide a range of support solutions, including technical and product support, collections and risk management, health solutions, global production and content management, and data analytics. The company provides tailored services to several vertical industries including banking, healthcare, government, telecommunications and insurance. In recent years, the Global Process Services division of IBM has supplied solutions to a number of well-known companies, including Transport for London (TfL), Unilever, General Motors (GM) and Southwest One. The company employs more than 50,000 experts in over 35 delivery centres around the world and serves more than 90 companies in 50 different languages.

According to IBM's 2011 Annual Report, the company's Business Services division, which is responsible for its BPO solutions, generated a turnover of \$19.28bn in the year ending 31st December 2011, up by 5.8% from the \$18.22bn that it reported in the previous year.

Mitel Networks Ltd

Mitel was originally founded in 1973 and is a global provider of business communications and collaboration software and services. The company has operations in over 90 countries and is in partnership with over 1,600 companies, servicing more than 100,000 customers worldwide.

The company supplies contact centre solutions through its Mitel® Contact Center Solutions product, which allows businesses to efficiently integrate a wide range of communications channels, such as voice, e-mail, web chat, SMS and fax. This product also provides a social media monitoring application for companies that wish to assess the performance of their brand image via social media and the customer perception of their company via social networks. In addition, the company offers customer expectation management solutions, such as queue waiting capabilities; along with self-service options; media distribution and routing applications, e.g. automatic call distribution capabilities; and customer profiling solutions that locate priority customer calls as they come through. Other solutions provided by Mitel include desktop productivity tools for call agents; back office integration solutions; real-time desktop applications; and full voice and data capabilities. It also provides services that are equipped for home workers or other mobile call agents. Workforce management solutions are also available from Mitel, which help supervisors to schedule calls and assess contact centre performance, as well as providing call traffic analysis.

According to the company's latest financial accounts, Mitel Networks Ltd registered a turnover of £104.9m in the year ending 30th April 2011, up by 6.9% from £98.1m in the previous year. Pre-tax profit observed a significant increase over the same period, after rising by 305.5% from £566,000 in 2010 to £2.3m in 2011.

Table 11.10: Financial Results for Mitel Networks Ltd (£000), Years Ending 30th April 2009-2011

	2009	2010	2011
Turnover	100,046	98,125	104,851
% change year-on-year	-	-1.9	6.9
Pre-tax profit	-11,111	566	2,295
% change year-on-year	-	†	305.5
† — in calculable			
Source: Key Note			

ONI PLC

ONI is a communications integrator that delivers a range of business communication solutions to organisations in both the public and private sectors. It provides several technical solutions, including data centre services, contact centre solutions, UC, borderless infrastructure, connectivity services and bespoke development; as well as a number of professional services, such as business and technical consultancy, project management and post-sales support.

ONI is one of the leading contact centre specialists based in the UK and provides migration services to aid the transition within contact centres from traditional telephony to multimedia IP infrastructure. This includes the provision of a business communications portfolio; inbound and outbound contact centre solutions; advanced self-service functionality; web-based multimedia services; call recording and workforce optimisation; hosted, hybrid or on-premise solutions; and systems integration and bespoke development. The company also supplies cloud-based solutions to several clients and is a gold partner of networking equipment developer Cisco Systems. Indeed, it is one of the few UK operators to develop and support Cisco Unified Contact Center Express (UCCX) and Unified Contact Center Enterprise (UCCE) contact centre solutions.

ONI has a particularly strong presence within the public sector as a supplier of business communications solutions and consultancy services and has over 100 clients within local and Central Government, defence and intelligence, education, social housing and charities.

According to the company's most recent financial results, ONI PLC registered a turnover of £12m and a pre-tax loss of £829,000 in the year ending 31st March 2011. This compares with a turnover of £20m and a pre-tax profit of £928,000 in the previous year.

**Table 11.11: Financial Results for ONI PLC (£000),
Years Ending 31st March 2010-2012**

	2010	2011	2012
Turnover	12,902	20,019	11,957
% change year-on-year	-	55.2	-40.3
Pre-tax profit	621	928	-829
% change year-on-year	-	49.4	<i>t</i>
<i>t — in calculable</i>			
<i>Source: Key Note</i>			

Qas Ltd

Qas was originally established in 1990 and is now a leading supplier of address management solutions including software, data and services for collating and utilising customer contact details effectively. The company, which is owned by Experian, has offices based across the globe in regions including Europe, North America and Asia-Pacific; and services over 10,000 customers across all market sectors. In the UK, the company numbers among its clients well-known brands including O2, Nissan, Chelsea Football Club (CFC), B&B, and Surrey Police.

The company also offers a range of additional data sets to enhance a company's contact database, including Experian's National Business Database which contains over 2.79 million records; International data, for 86 countries based in North America, Europe and Asia/Pacific; and Dataplus sets, which can be added to existing address records at the point of capture or during a dataset update in order to improve insight into customer data. Other professional services provided by Qas include business services consultancy, training, and data management and migration.

According to Qas Ltd's latest financial accounts, the company registered a pre-tax profit of £32m in the year ending 31st March 2012, on a turnover of £88.8m. This compares with a turnover of £89m and a pre-tax profit of £30.3m in the previous year.

**Table 11.12: Financial Results for Qas Ltd (£000),
Years Ending 31st March 2010-2012**

	2010	2011	2012
Turnover	84,191	88,945	88,753
<i>% change year-on-year</i>	-	5.6	-0.2
Pre-tax profit	37,416	30,344	32,043
<i>% change year-on-year</i>	-	-18.9	5.6

Source: Key Note

Salesforce

Salesforce is the market leader in cloud-computing solutions, with offices based around the world including in the Americas, Europe, the Middle East and Africa (EMEA) and Asia-Pacific. Clients include GE, Chipotle, Electronic Arts (EA), News International and Thomas Reuters. The company provides both social and mobile cloud technologies, including sales and CRM applications. It supplies a range of cloud applications and platforms, including customer service and support solutions, and social media monitoring and engagement tools.

The company's Service Cloud platform provides a range of solutions for contact centres, including:

- Chatter — allows call agents to collaborate with each other, share insight and gain input from peers; users can also customise their feeds to attain information from particular groups and individuals
- Contracts and Entitlements — monitors key customer milestones and metrics, as well as progress and service quality
- Dashboards and Reports — provides customer service metrics, and allows dashboards to be customised by users
- E-mail — allows users to create and assign cases from incoming e-mail; and provides a range of templates that agents can use to give measured, on-brand responses and track resolutions
- Knowledge — provides accurate answers sourced from a variety of channels from Google to social media and from business partners to self-service website queries
- Live Agent — provides a web chat solution, which is pre-integrated with the Service Cloud and can be embedded directly into a business' website in order to give customers instant answers in real-time

- Mobile — provides mobile access to the Service Cloud, thus allowing managers to attain metrics anywhere at any time; and supplies a range of field service applications for field management operations or logistics
- Self-Service — allows customers to search for case updates and knowledge solutions online, and provides a platform through which customers can post, comment and validate particular service issues
- Social Contact Center — which integrates all customer cases in one unified agent dashboard, which can be fully integrated with a business' call centre telephony and back-office applications and works across all contact channels
- Social Customer Service — allows queries and comments to be posted by customers via social media channels by routing them through a single hub, and can monitor and prioritise conversations by sentiment and influence
- Visual Workflow — manages supports processes, including call scripting, return, quotes and workflows, while also automating approvals for critical processes across all customer channels.

The company also provides a Sales Cloud, which includes a range of CRM capabilities; a Marketing Cloud, which is a unified social marketing suite; its Salesforce Platform, which allows users to build innovative social mobile and real-time apps; its own private social network, Chatter; and SalesforceWork.com, a sales performance management platform.

According to the latest financial accounts published by Salesforce.com Inc, the company registered a revenue of \$2.27bn in the year ending 31st January 2012, up by 36.8% from \$1.66bn in the previous year. However, pre-tax profit fell over the same period, from a profit of \$69.7m in 2011 to a loss of \$11.6m in 2012.

Table 11.13: Financial Results for Salesforce.com Inc (\$m), Years Ending 31st January 2010-2012

	2010	2011	2012
Revenue	1,305.6	1,657.1	2,266.5
<i>% change year-on-year</i>	-	26.9	36.8
Net income	84.7	69.7	-11.6
<i>% change year-on-year</i>	-	-17.7	<i>†</i>
<i>† — in calculable</i>			
<i>Source: Annual Report, 2012 © Salesforce.com Inc</i>			

12. The Future

THE RISE OF 'NORTSHORING'

Following the increasing popularity of outsourcing contact centre and customer service divisions to overseas business process outsourcing (BPO) firms at the start of the 2000s, companies have begun to transfer their contact centre businesses back to more domestic locations within the UK, often within the North of England and in Scotland. This trend has become known as 'northshoring', with many companies attracted to the lower rents and labour costs available in locations based in the North of the country. Some firms have also sought out new domestic locations following price increases among offshore BPO suppliers, as well as rises in the number of customer complaints regarding issues with miscommunication when talking to call agents from other countries. According to an article published by Comms Business in July 2012, there are currently around 700 contact centres based in the North of the UK, up from 521 in 2004, employing around 6% of the region's total workforce.

Some offshore firms with headquarters based overseas, in locations such as India, have also benefited from the trend. For example, in 2011, Indian outsourcing specialist Aegis revealed that it would be opening its European headquarters in Manchester, creating 600 new jobs. A number of other businesses have also established offices in northern cities, with German group Bosch and US-based firm Service Source both opening contact centre branches in Liverpool in recent years. More recently, in July 2011, Spanish bank and building society firm Santander — which owns Abbey, Alliance & Leicester (A&L) and parts of Bradley & Bingley (B&B) — revealed that it would be bringing its call centres back to the UK from India following a rise in the number of customer complaints. The company stated that it would create 400 new jobs in the UK, 200 of which would be based in Liverpool and 100 in both Leicester and Glasgow. This follows the announcement by telecommunications firm New Call Telecom earlier in the same year that it would be moving one of its call centres from India to Burnley in Lancashire, a move that is thought to have created 100 new jobs in the area.

According to an article published by the *Financial Times* in July 2012, the majority of call centres based in the North handle queries for the manufacturing, financial services and retail sectors, as well as the public sector. Companies such as O2, the AA, Barclaycard and British Gas represent some of the most well-known brands with contact centre operations based in the region. Other major companies to base operations in the North have included Capita in Darwen, Netflights in Preston and the Department for Work and Pensions (DWP) in Blackpool. Greater Manchester is the most popular location, with 265 call centres based in the area, employing around 70,000 people in total.

In an article published by the *Financial Times* in July 2012, Alison Hitchen, Business Support Manager at CallNorthWest, revealed that the call centre sector in the North West had grown by 7% in 2011 — double the UK average. This particular trend is likely to continue, with increasingly more companies expected to move offshore contact centres back to domestic locations, particularly in the North, where rent and property prices are often much lower than elsewhere in the country.

NEW CONTACT CENTRE MODELS TO BE TESTED

The 'Virtual' Model

The 'homeshoring' phenomenon — that is the virtualisation of contact centres within employees' homes — is expected to pick up pace over the next few years, with many companies seeking to save costs by employing home workers and providing more flexible working conditions for their workforce. Homeshoring can have a number of benefits, such as improving staff retention and recruitment, improving morale, reducing carbon footprint and decreasing overheads. According to a 2011 survey undertaken by At Home Customer Contacts, which questioned 100 UK companies, the main drivers for implementing a home working model included employee retention (38%), employee retention (24%), customer service improvements (19%) and business continuity (19%).

A number of companies have already implemented a 'virtual' contact centre model, with The Co-operative Travel Group's subsidiary Future Travel currently leading this area of the market, employing around 630 professionals. Other firms to embark on pilot trials of virtual models include Enterprise Rent-A-Car and Tesco Retail.

Increased access to Internet connections across the UK, in both businesses and homes, as well as Government investment in the installation of superfast broadband and the rollout of the 4G (fourth generation) mobile communications standards, has also helped to boost interest in virtual contact centre models. On top of this, ongoing financial pressures caused by continued fluctuations in the economy has forced companies to look at other business models in order to help reduce expenditure and save money. The introduction of new technological solutions, such as cloud-based contact centre services, should also help to facilitate a transition to a virtual model.

The Social Business

In recent years, much has been made about the benefits and pitfalls of employing a social business model, with many touting it as one of the major trends for the future. The majority of companies now employ a social media strategy, while increasingly more contact centres are introducing new social media channels through which customers can make enquiries. A rising number of firms are introducing social enterprise solutions across many aspects of their businesses. Although social enterprise models — primarily set up for purely social purposes — are not likely to generate significant amounts of money, they can work as a self-sufficient operation. For example, the mobile virtual network operator (MVNO) giffgaff, a subsidiary of O2, is run entirely online and by its own customers. Since being founded in 2009, the company has received much acclaim from market analysts and was ranked number three by Headstream's *Social Brands 100* Report in 2012. giffgaff's business model means that it is essentially run by its own customers who, in return for providing services including customer enquiries and tech support, are provided with discounted deals or 'payback points' which can be turned into mobile credit. Other companies to have implemented a social business model in recent years include the Big Issue and the Phone Co-op.

SOCIAL MEDIA AND THE MULTICHANNEL

According to a survey undertaken by marketing research firm Insites Consulting in September 2011, around 73% of British Internet users are on social networking platforms such as Facebook and Twitter, equating to around 37 million people. As the popularity of social media has grown, so has commercial interest from businesses regarding such platforms. This is also true of contact centres, many of which have begun to offer communication channels via social networking sites, alongside other channels including e-mail, web chat and instant messenger (IM) services. As a result, the contact centre of today is often expected to embrace a multichannel strategy in order to accommodate the modern consumer, who often enjoys the flexibility that the provision of a variety of communication channels can bring.

Despite this, the majority of consumers still prefer to contact an organisation using the telephone, with results from Key Note's exclusive 2012 consumer research revealing that 71.6% of respondents favoured this particular channel. However, according to Genesys and Protocall One's *Multichannel Survey*, undertaken in May 2012, the use of web chat enquiry forms and more visual media — such as Internet chat — are all on the rise, while social media has become popular as a secondary channel. Despite the increasing popularity of social networks within the UK, the majority of respondents (over 60%) believed that it was not a viable channel and were not confident in using it; while 37% felt that it was more suited to public relations (PR) purposes.

Nevertheless, the use of social media, web chat and Internet self-service channels are likely to become increasingly important over the next few years, as they often provide a convenient customer service solution to time-constrained, modern day consumers who are used to using the Internet to troubleshoot problems that they encounter. These types of communication channels can also provide a more visual customer service solution, where call centre agents can actually show consumers how to fix a particular problem, something that can be particularly useful within tech support, for example. The management of social media channels, alongside other forms of communication, has also been found to reduce staff attrition within contact centres — an issue that has continued to plague the industry in past decades.

According to the 2012 survey undertaken by Genesys and Protocall One, of the social media channels that contact centres do use, Twitter was found to be the most popular, with 48% of respondents utilising it; 44% used Facebook and 23% used LinkedIn. Twitter can be a particularly effective customer service channel as it allows an instant two-way conversation to take place, as can Facebook through its web chat service. However, further findings from the study showed that around 33% of contact centres did not directly converse with consumers via social media, although 37% of these companies did outsource these responsibilities to a third party. Others that chose not to utilise social media revealed that this was down to lack of expertise (23%) or confidence (20%), while a further 20% stated that it was not a viable channel for their business. Despite this, 37% of respondents revealed that they preferred to use social media as part of their PR/communications strategy instead of within their customer service business.

With the number of Facebook users hitting the one billion mark in 2012 and 140 million people signed up to Twitter, the popularity of such sites is only expected to continue to grow in the future, while the development of social media's commercial uses is also likely to become more diverse and sophisticated as time goes on. With this in mind, it is likely that a greater number of businesses, including contact centres and those that provide customer services, will become more interested in interacting with consumers using these types of channels. The growing number of people using such sites will encourage a greater number of consumers to contact companies in this way as well.

GROWTH IN STAFF RECRUITMENT FORECAST UP TO 2015

Key Note predicts year-on-year growth of between 1% to 3% over the next couple of years within the contact centres industry in the UK, with growth strengthening from 2013 to 2014 onwards following the double-dip recession. However, while some areas of the market — such as outsourcing, financial services and communications — are likely to observe relatively strong growth, others — such as transport and travel and the public sector — are expected to observe contractions.

Total market growth is likely to be driven by the UK's continued economic stabilisation following the double-dip recession, as well as the ongoing trend towards 'northshoring', with many companies opting to move their contact centre operations back to the UK following a rise in the number of customer complaints and increases in costs among offshore outsourcers. The growth of services-based industries within the UK, which already account for around 77% of the country's gross domestic product (GDP), is also likely to boost recruitment and investment within the contact centres market in forthcoming years. However, it should be noted that, despite predictions that the economy will continue to recover over the next few years, public-sector operations and jobs are likely to continue to see cuts following the ongoing implementation of the Government's austerity measures. Indeed, over the past couple of years, a number of UK councils have revealed plans to move call centre operations overseas in order to save money, including Lambeth Living, Lambeth council's arms-length-management organisation (ALMO), which announced plans to outsource its call centre operations to private firm Vangent in October 2011; Harborough District Council revealed that it would be moving call centre services to the Loughborough-based authority Charnwood in July 2012. While these moves have come under fire from unions as they are likely to result in significant job cuts, they are also expected to create more jobs within the outsourcing sector in the UK.

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Understanding Consumer Survey Data

TGI tables, produced by Kantar Media, are generally based on one of the following groups: **households** — consisting of either one person living alone or a group of people, usually members of one family, who live together and whose food and other household expenses are managed as one unit; **adults** — aged 15 or over; **housewives** — a member of a private household who is solely or mainly responsible for the household duties.

NEMS Market Research is often commissioned by Key Note to conduct exclusive consumer surveys among a representative sample of adults aged 16 and over in Great Britain.

Number, Profile, Penetration

Tables used in Key Note reports may give figures for the Number, Profile, and/or Penetration.

Table Heading				
	<u>Population</u>	<u>Number (000)</u>	<u>Profile (%)</u>	<u>Penetration (%)</u>
All housewives	20,371	13,535	100.0	66.4
Age				
15-24		1,045	7.7	0.03
25-34		2,697	19.9	12.1
Social Grade				
AB			.0	61.5
C1			.0	71.9
Region				
Greater				
London		2,557	10.4	55.2

Source: Target Group Index, © Kantar Media, 1995

The total number of adults, housewives, households, etc.

Across
The % of 15-24 year-olds, etc. who are users.

This is the projected number of people in each subgroup who use the product.

Down
The % of each subgroup who are users. Each subgroup should total 100% vertically.

Social Grade

This is normally based on the occupation of the Head of the Household, or if the Head of the Household is retired, their former occupation. If this information is not available, social grade is based on environmental factors such as type of dwelling, amenities in the home, presence of domestic help, etc.

The following table broadly defines the six social grades used. The relationship between social grade and net income of the Head of the Household is a complex one and readers should note that **income is not determinant of social grade**.

Social Grade	Social Status	Head of Household's Occupation
A	Upper middle class	Higher managerial, administrative or professional
B	Middle class	Intermediate managerial, administrative or professional
C1	Lower middle class	Supervisory or clerical and junior managerial, administrative or professional
C2	Skilled working class	Skilled manual workers
D	Working class	Semi and unskilled workers
E	Those at lowest levels of subsistence (no other earner)	State pensioners or widows

Standard Region

This is as defined by the Registrar-General.

Key Note Research

Key Note is a leading supplier of market information, publishing an extensive range of consumer, industrial, business-to-business and services titles. With over 30 years' experience, Key Note represents clear, concise, quality market information.

For all reports, Key Note undertakes various types of research:

Online searching is carried out by product code or free search method, and covers the period from the last edition of the report to the current day.

Trade sources, such as trade associations, trade journals and specific company contacts, are invaluable to the Key Note research process.

Secondary data are provided by Kantar Media (TGI) and Nielsen for consumer/demographic information and advertising expenditure, respectively. In addition, various official publications published by National Statistics, etc. are used for essential background data and market trends.

Interviews are undertaken by Key Note for various reports, either face-to-face or by telephone. This provides qualitative data ('industry comment') to enhance the statistics in reports; **questionnaires** may also be used.

Field research is commissioned for various consumer reports and market reviews, and is carried out by NEMS Market Research.

Key Note estimates are derived from statistical analysis and trade research carried out by experienced research analysts. Up-to-date figures are inserted where possible, although there will be some instances where a realistic estimate cannot be made or external sources request that we do not update their figures.

Key Note Editorial, 2013

The Key Note Range of Reports

Key Note publishes over 180 titles each year, across both the Key Note and Market Assessment product ranges. The total range covers consumer, lifestyle, financial services and industrial sectors.

<u>Title</u>	<u>Edition</u>	<u>Published</u>	<u>Title</u>	<u>Edition</u>	<u>Published</u>
Key Note Current Reports			C		
A			C2DE Consumer	7	2013
ABC1 Consumer	7	2012	Canned Foods	18	2011
Access Control	12	2011	Care Homes	2	2013
Accountancy	16	2013	Carpets & Floorcoverings	16	2009
Activity Holidays	5	2012	Catering Equipment	15	2012
Advertising Agencies	5	2012	Catering Market	21	2009
Airlines	23	2013	Charity Funding	4	2011
Airports	16	2013	Chemical Industry	15	2013
All-Inclusive Holidays	2	2012	Childcare	7	2012
Alternative Healthcare	7	2012	Children's Publishing	4	2012
Arts & Media Sponsorship	4	2011	Childrenswear	9	2011
Automatic Vending	25	2011	Chilled Foods	17	2012
Automotive Services	8	2012	China & Earthenware Update	28	2011
Autoparts	20	2012	Cigarettes & Tobacco	26	2012
B			Closed-Circuit Television	13	2011
B2B Marketing	2	2011	Clothing & Footwear Industry	13	2010
Baby Products	5	2010	Clothing Manufacturing	16	2011
Baths & Sanitaryware	15	2011	Clothing Retailing	8	2011
Betting & Gaming	25	2012	Coffee & Sandwich Shops	7	2012
Biscuits & Cakes	19	2012	Commercial Dynamics in Financial Services	4	2010
Book Publishing	22	2012	Commercial Insurance for Small Businesses	4	2012
Book Retailing on the Internet	5	2013	Commercial Vehicles	16	2011
Bookselling	18	2012	Computer Hardware	10	2012
Bread & Bakery Products	27	2012	Computer Services	10	2012
Breakfast Cereals	16	2012	Computer Software	8	2011
Breweries & the Beer Market	29	2012	Condiments & Sauces	5	2008
Bricks & Tiles	16	2010	Confectionery	31	2013
Bridalwear	5	2010	Construction Industry	11	2009
Builders' Merchants	17	2010	Consumer Credit & Debt	7	2012
Building Contracting	11	2011	Consumer Magazines	18	2011
Building Materials	14	2011	Contact Centres	9	2013
Bus & Coach Operators	11	2012	Contraception	5	2011
Business Postal Services	2	2008	Contract Catering & Foodservice Management	22	2013
Business Press	15	2012	Contract Cleaning	23	2013
Business Travel	7	2013	Cooking & Eating Habits	7	2012
			Cooking Sauces & Food Seasonings	6	2013
			Corporate Hospitality	7	2012

Title	Edition	Published	Title	Edition	Published
Corporate & Promotional Giftware	4	2011	F		
Cosmetic Surgery	10	2012	Fast-Food & Home-Delivery Outlets	26	2012
Cosmetics & Fragrances	25	2012	Film Market	2	2009
Courier & Express Services	18	2013	Financial Services Marketing to BCs	1	2009
Cruise Market	3	2012	Financial Services Marketing to DEs		2009
Customer Magazines	5	2012	Financial Services Marketing to Start-Up Businesses & the Self-Employed	3	2010
Customer Relationship Management	4	2008	Financial Services Marketing to the Affluent	1	2009
Customer Services in Financial Organisations	5	2010	Financial Services Organisations on the Internet	4	2009
D			Fire Protection Equipment	9	2012
Debt Management (Commercial & Consumer)	7	2013	Fish & Fish Products	15	2012
Defence Equipment	11	2010	Food Industry	20	2010
Diet Foods	5	2013	Football Clubs & Finance	5	2013
Digital Broadcasting	6	2012	Footwear	17	2012
Digital Communications	2	2012	Forecourt Retailing	9	2012
Direct Insurance	6	2010	Franchising	13	2012
Direct Marketing	20	2012	Freight Forwarding	18	2011
Direct Mortgages	8	2012	Frozen Foods	26	2012
Discount Retailing	8	2011	Fruit & Vegetables	23	2013
Disposable Paper Products	13	2009	Fruit Juices & Health Drinks	15	2013
Distribution Industry	10	2009	Functional Foods	6	2010
DIY & Home Improvements Industry	11	2009	Further & Higher Education	8	2013
Domestic Heating	14	2009	G		
Drinks Market	19	2009	Garden Equipment	14	2012
E			Gas Industry	7	2012
E-Commerce: The Internet Grocery Market	7	2013	General Insurance	13	2010
E-Commerce: The Internet Leisure & Entertainment Market	5	2008	Giftware	20	2011
Electrical Contracting	10	2011	Glassware	16	2011
Electrical Wholesale	5	2009	Green & Ethical Consumer	5	2012
Electricity Industry	8	2012	Greetings Cards	27	2012
Electronic Banking	4	2008	Grey Consumer	5	2009
Energy Industry	8	2010	H		
Equipment for the Disabled	6	2012	Hand Luggage & Leather Goods	16	2012
E-Recruitment	4	2012	Health Clubs & Leisure Centres	11	2011
Estate Agents	18	2011	Healthy Eating	6	2008
Estate Agents & Services	6	2012	Holiday Purchasing Patterns	6	2012
Ethnic Foods	17	2012	Home Entertainment	4	2012
European Long-Term Insurance	4	2008	Home Furnishings	20	2011
European Renewable Energy	2	2008	Home Shopping	15	2013
European Short Breaks	2	2008	Horticultural Retailing	17	2008
European Telecommunications	3	2010	Hot Beverages	7	2013
European Tourist Attractions	3	2010	Hotels	26	2012
European Trends in Food Shoppin	4	2009	Housebuilding	20	2012
Exhibitions & Conferences	13	2013			

Title	Edition	Published	Title	Edition	Published
Household Appliances (Brown Goods)	13	2013	N		
Household Appliances (White Goods)	18	2012	Natural Products	3	2012
Household Detergents & Cleaners	17	2012	Newspapers	19	2012
Household Furniture	19	2011	Non-Food Sales in Supermarkets	6	2013
I			Non-Metal Recycling	4	2012
Ice Creams & Frozen Desserts Update	15	2011	Nutraceuticals	3	2008
Independent Financial Advisers	4	2008	O		
Insurance Companies	12	2009	Office Equipment Industry	9	2010
Insurance Industry	10	2009	Office Furniture	22	2012
Insurance Market	13	2012	Offshore Oil & Gas Industry	6	2012
Insurance Prospects	2	2008	Ophthalmic Goods & Services	19	2013
Internet & Telephone Banking	2	2013	Opticians & Optical Goods	5	2010
Internet Advertising	8	2013	Organic Food & Drink	8	2012
IT Recruitment	6	2012	OTC Pharmaceuticals	16	2013
IT Security	10	2011	Over-50s Consumer	1	2009
IT Training	14	2012	Own Brands	14	2012
J			P		
Jewellery & Watches	26	2011	Packaging (Food & Drink)	6	2010
K			Packaging (Glass)	13	2008
Kitchenware	8	2012	Packaging (Metals & Aerosols)	13	2012
L			Packaging (Paper & Board)	16	2012
Laboratory Equipment	11	2013	Packaging (Plastics)	16	2012
Leisure in the Home	3	2010	Pensions	7	2013
Leisure Outside the Home	3	2010	Personal Banking	2	2012
Lifestyle Magazines	5	2011	Personal Lines Insurance	5	2012
Lingerie	11	2013	Personal Loans	4	2008
Local Government Services	3	2010	Pet Market	5	2013
Low-Fat & Reduced-Sugar Foods	5	2008	Pharmaceuticals Industry	6	2008
M			Planning for Retirement	1	2008
Marketing in the Digital Age	4	2012	Plus-Size Fashion	4	2011
Meat & Meat Products	23	2013	Poultry	5	2012
Medical Equipment	18	2012	Power Tools	6	2012
Medical & Health Insurance	4	2012	Premium Lagers, Beers & Ciders	10	2012
Men & Women's Buying Habits	6	2012	Printing	17	2013
Men's Toiletries & Fragrances	6	2012	Private Healthcare	23	2013
Metal Recycling	7	2013	Protective Clothing & Equipment	8	2012
Milk & Dairy Products	26	2012	Public Houses	28	2012
Mobile Marketing	1	2009	Public Relations Industry	4	2012
Mobile Phones	8	2012	Publishing Industry	13	2010
Motor Finance	4	2011	R		
Motor Industry	12	2008	Rail Travel	8	2011
Music Industry	2	2010	Ready Meals	13	2012
			Recruitment Agencies (Permanent)	12	2012
			Recruitment Agencies (Temporary & Contract)	12	2012
			Renewable Energy	5	2012
			Restaurants	26	2012
			Retail Pharmacies	18	2013

Title	Edition	Published	Title	Edition	Published
Road Haulage	23	2012	U		
Rural Economy	2	2009	UK Internet Market	1	2009
S			Utilities	5	2013
Sauces & Spreads	13	2012	V		
Savings & Investments	7	2013	Vegetarian Foods	7	2012
Security Industry	13	2010	Vehicle Breakdown Services	7	2012
Shopfitting	15	2012	Vehicle Security	10	2012
Shopping Centres	3	2008	Video Gaming	1	2011
Singles Market	5	2012	Vitamins, Minerals & Supplements	7	2011
Slimming Market	4	2011	W		
Small Businesses & Banks	2	2010	Wallcoverings & Ceramic Tiles	19	2012
Small Domestic Electrical Appliances	13	2012	Waste Management	12	2013
Snack Foods	21	2012	Water Industry	7	2012
Social Media Marketing	2	2012	Windows & Doors	21	2012
Soft Drinks (Carbonated & Concentrated)	19	2012	Wine	22	2012
Soup Market	4	2012	Working Women	5	2009
Spirits & Liqueurs	2	2012	Key Note Archive Reports		
Sports Clothing & Footwear	14	2012	A		
Sports Equipment	17	2012	Aerospace	12	2003
Sports Market	13	2010	Agrochemicals & Fertilisers	3	2002
Sports Sponsorship	9	2013	Air Freight	2	2005
Stationery (Personal & Office)	26	2012	Air Transport Logistics	1	2003
Supermarket Own Label	4	2009	Animal Feedstuffs	11	2001
Sweet & Salty Snacks	16	2010	Audio Visual Retailing	1	2000
T			B		
Take-Home Trade	18	2011	Baby Foods	3	2006
Teenage & Pre-Teen Magazines	5	2012	Baths & Showers	1	2000
Teenage Fashionwear	4	2013	Bearings	2	2007
Timber & Joinery	20	2011	Beds, Bedrooms & Upholstered Furniture	2	2000
Toiletries	24	2011	Bottled Water	2	2001
Toys & Games	25	2012	C		
Training	21	2013	Cable & Satellite TV	10	2004
Travel & Tourism Market	17	2010	Call Centres	6	2006
Travel Agents & Overseas Tour Operators	24	2012	Cash & Carry Outlets	16	2001
Trends in Food Shopping	5	2008	Cinemas & Theatres	9	2001
Trends in Leisure Activities	5	2012	Clothing Retailers	1	2000
Tyre Industry	6	2011	Commercial Radio	8	2004
			Consumer Borrowing in Europe	1	2004
			Consumer Internet Usage	4	2000
			Contracted-Out Services	3	2007
			Convenience Retailing	12	2002
			Cross-Border Shopping	1	2000
			Customer Loyalty in the Financial Services	1	2000

<u>Title</u>	<u>Edition</u>	<u>Published</u>	<u>Title</u>	<u>Edition</u>	<u>Published</u>
<u>D</u>			<u>G</u>		
Dark Spirits & Liqueurs	3	2004	Generation Y	1	2007
Defence Industry	7	2003	Global Positioning Systems	1	2002
Design Consultancies	3	2000	Global Waste management	2	2070
Digital TV	2	2003	<u>H</u>		
DINKY Market	3	2007	Health Foods	22	2003
Document Imaging Systems	1	2007	Healthcare Market	10	2005
Domestic Telecommunications	4	2006	Heating, Ventilating & Air Conditioning	9	2002
Dry Cleaning & Laundry Services	5	2005	<u>I</u>		
<u>E</u>			In-Car Entertainment	1	2000
Electronic Component Distribution	12	2002	Individual Savings Accounts	2	2005
Electronic Component Manufacturing	11	2002	Industrial Fasteners	8	2001
Electronic Games	4	2003	Industrial Pumps	5	2000
Equipment Leasing	12	2003	Industrial Valves	8	2001
E-Shopping	1	2002	Internet Service Providers	2	2005
European Electricity Industry	3	2007	Internet Usage in Business	8	2005
European Gas Industry	3	2007	Issues & Challenges in the UK Life Assurance Market	2	2002
European Oil & Gas Industry	2	2007	Issues in Higher Education Funding	2	2006
European Water Industry	3	2007	<u>L</u>		
Extended Financial Families	1	2005	Leisure & Recreation Market	15	2005
<u>F</u>			Lighting Equipment	14	2002
Factoring & Invoice Discounting	2	2003	<u>M</u>		
Finance Houses	11	2000	Management Consultants	10	2003
Financial Services Marketing to ABC1s	1	2000	Marketing to Children 4-11	3	2003
Financial Services Marketing to ABs	4	2006	Mechanical Handling	9	2001
Financial Services Marketing to C1C2DEs	1	2004	Millenium Youth	2	2002
Financial Services Marketing to Over 60s	1	2004	Mobile Telecommunications	2	2007
Financial Services Marketing to the Retired & Elderly	3	2007	<u>N</u>		
Fitted Kitchens	11	2007	New Media Marketing	3	2002
Free-To-Air TV	8	2004	<u>O</u>		
			Off-Trade Spirits	3	2004
			Organic Baby & Toddler Care	1	2007
			Over-40s Consumer	2	2005
			<u>P</u>		
			Paper & Board Manufacturers	14	2002
			Passenger Travel in the UK	5	2007
			Pay TV	2	2004
			Pension Extenders	1	2002
			Photocopiers & Fax Machines	14	2005
			Plant Hire	13	2007
			Plastic Cards in Europe	2	2005
			Plastics Processing	10	2003
			Pre-School Childcare	1	2001
			Private-Sector Opportunities in Education	2	2001

Title	Edition	Published	Title	Edition	Published
Process Plant Industry	1	2000	T		
Public Transport	1	2001	Teenage Magazines	3	2007
R			Telecommunications	21	2007
Rail Transport Logistics	1	2003	Teleworking	2	2003
Railway Industry	2	2006	The Computer Market	11	2004
Recycling & the Environment	1	2000	The Film Industry	4	2002
Retail Credit	2	2000	The Fish Industry	1	2001
Retail Development	1	2001	The Legal Services Market	1	2005
Road Transport Logistics	1	2003	The Luggage Market	1	2000
S			The Newspaper Industry	3	2005
Saving Trends in Eurozone	2	2002	Tourist Attractions	5	2001
Short Break Holidays	4	2001	Tweenagers	1	2001
Short Breaks	2	2004	V		
Slimming Market	8	2000	Video & DVD Retail & Hire	8	2005
Small Office Home Office Consumer	1	2001	Videoconferencing	4	2007
Small Office Home Office Products	1	2001	W		
Sponsorship	2	2000	Water Transport Logistics	1	2003
Supermarket Services	3	2007	White Goods	2	2000
Supermarkets & Superstores	20	2003	White Spirits	1	2005
			Women over 45	3	2007

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