

The Dutch call center-industry gives a vivid example for a global market which is keen on showing a professional profile. Whether it is call center outsourcing providers, service providers in the fields of marketing, global data collection or telecommunication: As a global competitor, the Dutch call center industry faces the challenge for its call center forces to act as a full-service provider. As an advantage, it is based in close neighbourhood to other international call center sites, right at the borders of Belgium and, further on, Great Britain. Thus, the open-minded workstyle, embedded in the spirit of constant globalization, could also be their future path to success.

# ON THE ROAD TO GLOBALIZATION

## The Dutch Call Center-Industry

Many call centers in The Netherlands which have formerly started within other European markets, today serve their business customers with call center competence originated in their dutch market base as well as with experience from selected offshore markets. The history of Dutch call center providers has always been a story of global success – due to the high level of international customers and employees constantly rushing in. The big chance of this sector: Experts in the same line of business state, that the development of the Dutch call center economy has become similar to the development of the other “big four” - France, Germany, Italy and Spain, according to their structure and speed of economic growth as well as to the level of agents’ training. While technically as well advanced, The Netherlands call center market has shown double-digit growth during the last years, but by now has reached a high level of market maturity according to a study of Deloitte Consulting with Data-monitor from the year 2006 up to the year 2008. It has become a relatively big market in comparison with other specialized call center markets within the European Union.

### INHOUSE BUSINESS STILL DOMINATING

Today, the major business from call center locations is still focused on inhouse activities, says call center expert Hans Bach from the Dutch National Call Center Association (NCCA). The market, although driven by a range of multinational, US originated call center companies, is still increasing its performance also in the Netherlands. Third party providers are appreciated problem solvers especially for more complex customer interactions or projects which need to be deeply implemented within the so called ‘value added chain’ concepts of companies. On the other hand, off shore outsourcing of Dutch customer contacts is limited, mainly because of the fact that the language is hardly spoken abroad. However, there are growing call center operations in the foreign colonies of Suriname and the Dutch Antilles, as Hans Bach from NCCA states. Some companies have moved successfully abroad and operate in the European market, as these examples will show:

- Vanad recently started business in Germany and Key Net works together with an Italian partner in Callcenternet.



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- » Together, they act globally and run call centers not only in The Netherlands but also in Italy and Romania.
- Also remarkable is the success of HCN in Turkey. The Dutch company started call center operations in Istanbul and Antalya, with a workforce of Turkish people who have lived in The Netherlands before but returned to Turkey.

#### **HISTORY AT A GLANCE**

Looking back to history shows, that the first third party call centers started in The Netherlands in the 1980's. In the beginning of the 90ies, there were US companies (third party and dedicated) that came over, mainly to Amsterdam and to the so called "Randstad", the suburbs of big Dutch cities such as Rotterdam, Utrecht or others, to start a multilingual, Pan-European call center or helpdesk. In fact, most of the call centers are to be found in the area around Amsterdam, Rotterdam and The Hague in the provinces of Noord- and Zuid-Holland. Especially, Amsterdam was considered an ideal place, mainly because of the large number of foreigners (with inhabitants of more than 60 different countries!), the language skills of Dutchmen in general and the fact that – from a political point of view – The Netherlands is a small and stable country. Today, a majority of call center providers has expanded to cover the five major EU markets and BeNeLux, working predominantly on complex B2B projects as well as serving companies in order to solve their customer's daily needs, e.g. in

the IT and Telecommunication sector or other highly frequented industries like the tourism sector. A total of over 1 700 companies with a total of 67 000 agents seats (estimation by Call'm, 2008) are currently active in related call center business. The highest percentage is still represented by third party providers which are located in nearly 400 different locations, representing around 22 percent of the whole call center activities. In comparison to other European call center locations, the market share of Dutch third party call centers is relatively low. Although outsourcing of customer contact is a more or less accepted phenomenon nowadays, hardly any organization chooses to outsource all of its contacts. Although the outsourced market is not growing very dynamically, the number of third party call center locations is increasing rapidly. One reason is that because of the technical possibilities to virtualize operations and the shortage of people in certain parts of the country, third party call centers start up more different locations all over the country.

#### **BUSINESS HUB FOR US SERVICE PROVIDERS**

Within a few years time, The Netherlands became also known as an important "hub" for many US third party call centers with global ambitions. As a consequence to that, parties like Stream International and Sykes centralized their European activities in Amsterdam, as did some big "inhouse" players like HP. They all built big call center operations with a 1 000 seats (like HP)

## INFOS

## Call center associations in The Netherlands

The number of organizations joining associations is growing constantly. The most important ones:

**WGCC** is the employer's organization for third part call centers.

**VCN** and **TCCM** focus on inhouse call centers.

**CCMA** is the organization for call center managers.

**DDMA** has a focus on direct marketing. Other important organizations are **NCCBO** – it has been organizing a call center benchmark study for 10 years in a row now, thus contributing to the knowledge on this market.

**NCCA** - the organization organizes the annual Dutch Call Center Award competition which is very popular.

### WEBLINKS

WGCC: [www.wgcc.nl](http://www.wgcc.nl)

VCN: [www.verenigingcontactcenters.nl](http://www.verenigingcontactcenters.nl)

TCCM: [www.tccm.nl](http://www.tccm.nl)

CCMA: [www.ccma.nl](http://www.ccma.nl)

DDMA: [www.ddma.nl](http://www.ddma.nl)

NCCBO: [www.nccbp.nl](http://www.nccbp.nl)

NCCA: [www.ncca.nl](http://www.ncca.nl)

Directory of call center providers or agencies: [http://www.elsnet.org/ccorglist\\_c.html#Netherlands](http://www.elsnet.org/ccorglist_c.html#Netherlands)

## Call Centers and Branches

Ranking	Branch	Locations	Percentage	Seats	Percentage
1	3rd party	394	22,3	18.291	27,4
2	Business Services	179	10,1	3.590	5,4
3	Information technology	142	8,0	2.213	3,3
4	Mobility, Tourism	140	7,9	4.411	6,6
5	Gouvernement	133	7,5	4.947	7,4
<b>Total</b>	<b>1.771</b>			<b>66.842</b>	

Source: Call'm database 2008

## Call Center-Market in Holland

Regional Call Center Ranking	Region	Locations	Percentage	Seats	Percentage
1	Noord Holland	401	22,6	14.574	21,8
2	Zuid Holland	355	20,1	9.249	13,8
3	Noord Brabant	246	13,9	8.745	13,1
4	Utrecht	215	12,4	6.170	9,2
5	Gelderland	174	9,8	6.245	9,3
<b>Total</b>	<b>Netherlands</b>	<b>1.771</b>		<b>66.842</b>	

Source: Call'm database 2008

being no exception. Pan European call centers were not the only organizations that started a call center in the western part of The Netherlands. Currently, approximately 66 842 call center seats in the Dutch market are registered in the database of Call'm. The company assumes this registration to be about 90 percent accurate (inhouse call centers are not always easy to be found and to count). They also estimate there are about 70 000 seats in total. The call center specialist reckons that every seat is taken by about 1,6 fte call center agents. On average, the Dutch agents works 26 hours per week. This would mean that – in total – over 170 000 people are employed in the Dutch call center market. A number which even exceeds the number of bank employees (120 000) in The Netherlands. According to a study of the European Commission, some ten years ago, The Netherlands already gained top ratings for the number of languages spoken, the quality of telecommunication providers, the work-life-balance quality for the employees as well as for the Return-on-US-Invest and the Return-on-capital.

### WHEN QUALITY IMPROVES

Many of the Dutch call centers currently focus on improving the quality of their services. They understand that ease of accessibility and pure low-cost strategies are not sufficient and that they have to contribute to the targets of the organization as a whole. This is the main reason why there is a big interest in improvement

programs and quality trademarks. For instance, COPC is well known in the Dutch market and many companies try to learn from this approach. Most of the call centers, however, are too small to implement COPC. The Dutch equivalent is called ITO, but is not so popular, mainly because of the systems' focus on accessibility and service levels. Interest is growing for the European call center standard which has been developed by 12 different countries, under the responsibility of CEN. With view to the training abilities, most of the leading telecommunication and call center companies support their agents with internal training divisions and schedules. In 1997, a call center college has been launched under the patronage of some key players of the call center sector in order to secure the training schedules of call center agents working in call center jobs. The academy developed training curriculums on different levels for call center agents, supervisors and managers.

In terms of its future perspectives, we arrive at the conclusion that The Netherlands will certainly be a market with ongoing interesting market niches for call center operations, quality customer services and multinational oriented business for global players in this branch, in the center of the entire European business community – with all the chances and challenges yet to come.

**Eva-Susanne Krah and Hans Bach**

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# 2 GLOBAL PLAYERS

## VANAD CONTACT CENTERS – MEETING THE MARKET CHALLENGE

One of the call center specialists representing the “new generation” of facility centers in The Netherlands is Vanad Contact Centers. The company is headed by brothers Ad Nederlof (President and CEO) and Jean Nederlof (COO). The group is based in Capelle aan den IJssel and has shown a dynamic, expansive force since the start-up phase of the company in the summer of 2005.

After the launch with 26 agents working for the call center service provider, the contact center today operates with 450 employees and another 300 agents working in Bonn/Germany, where VANAD just started new business after the take-over of the German contact center subsidiary of Cendris Contact Center. It is actually the company’s first step into foreign market activities, according to Arnoud Munneke, Operational Director of VANAD. Within The Netherlands, the company runs another two call center facilities in Utrecht and Rotterdam. Core industries of the provider are service oriented business sectors such like Telecommunication, Banking&Finance, Insurance and Clarity as well as Utility and Media. Ad Nederlof, President and CEO of VANAD, comments enthusiastically on the dynamic perform-

**“We aim at partnerships with companies who believe in the fact that we breathe our core business.”**

*Ad Nederlof, President and CEO of VANAD Contact Centers/VANAD Group B.V.*

ance of the company during the last three years: “We aim at partnerships with companies who believe in the fact that we breathe our core business.” Due to the general market trend of the call center industry, VANAD focuses on “supply-chain-outsourcing”. Therefore, the outsourcing specialist provides the whole range of inbound and outbound retention services, cross and upselling, winback as well as inbound sales and service activities for business customers.

Hence, Nederlofs future view of the development of full-service providers in general is clearly focused as well: “Everybody is talking about dynamic contact centers nowadays”, says Nederlof: “As an outsourcer, we are part of our customers’ dynamic contact center. In the near future, people will call this a „Federated Enterprise”. With regard to the agents, this means, that “our agents are the stars of the organization, they are the people who are in direct contact with the customers of our customers – the most important asset of the organization”, states Nederlof. The company pays constant attention to the fact that, from Ad Nederlofs point of view, “the amount of channels customers use is increasing, therefore the complexity of contact is increasing.” The result is that in the current call center market, companies do not want to have “difficult partnerships with outsourcing companies, where each of them uses different technology platforms. This makes it

even harder to meet the challenge of the market”, adds Nederlof. With view to The Netherlands, he calls the market to be an “early adopter”, with “the well known key trends in the English spoken countries like retention and inbound sales being already very popular”. Vanad is currently operating with Dutch key customers like KPN, SNS Bank, Telfort or Wolter-Noordhoff. In the near future, the service provider plans to concentrate business on the Dutch market, Germany and the Benelux Countries. ←

## STREAM – A GLOBAL INNOVATOR

Stream, a leading global provider of contact center services with world headquarters in Richardson, Texas, USA, provides solutions for technical support and customer service outsourcing. Ranked in the top ten of the Global Services 100 listing for 2008, compiled by Global Services magazine in February 2008, Stream was honored as one of the world’s most innovative providers of business and technology services for the third consecutive year. The company was also named by the International Association of Outsourcing Professionals (IAOP) to the Global Outsourcing 100 list for 2007 and 2008, in testament to its accomplishments in the global support arena.

With more than 85 blue-chip clients globally, the company has in excess of 16 000 support professionals worldwide, who interact with upwards of 65 million customers a year. Communication methods include voice support as well as integrated e-mail communication and chat suites. Stream’s business is focused on inbound support. While serving the most dynamic high-tech vertical markets, Stream’s range of clients include global and regional software and hardware manufacturers as well as Internet service providers, the consumer electronic industry and other high-tech sectors, mainly in the telecommunication and mobile industry. During the last years, the provider has expanded its network of global delivery centers. In total, Stream today runs 32 global sites and covers 16 countries and 33 languages. Its European headquarters is based in Amsterdam.

The company’s mission, delivering the exceptional customer experience, is a key commitment at all levels of the organization. Through an extensive survey process, Stream identified key aspects of how customers define a superior support experience and translated “exceptional” into a measurable process. Along with providing exceptional customer experiences, the outsourcing provider has implemented its revenue generation management (RGM) methodology for a number of clients. The approach is designed to drive revenue as well as reduce overall costs. Stream has set quality benchmarks within the Dutch call center market with this and other processes such as its supply chain management (SCM) model and “Smart ShoreSM” strategy.

To support its customer service commitment the company offers Stream University as a platform for structured internal career opportunities for contact center support professionals. This enables employees to achieve a specialized training experience and build long-term personal development plans. ←