



Hans Bach, Founder of Call'm Beheer B.V., Netherlands and President of the NCCA National Call Centre Association

Hans Bach h.bach@callm.nl

The steps of typical Dutch call center parties like Key-Net and Vanad to move abroad and operate in the European market, show the potential of future abilities.

The Dutch Call Center Industry: GOING THE EXTRAMILE

From a European perspective, the Dutch call center industry is often considered to be a mature market. With call centers in about 1 800 different locations and approximately 180 000 people working in them, the market is relatively big. And it is still growing, although the double digit growing rates of the past are over. In the early 80ies, the traditional call center concept was implemented in Holland mainly by financial institutions, home shoppers and outsourcing companies. Half way the 90ies, we saw a second phase with utilities, travel organizations and (mobile) phone companies implementing call centers for their operating helpdesk services.

In the past few years the call center concept has been widely adopted especially in the public services industry and within healthcare. Also, with the growing number of suppliers offering hosted facilities or solutions for smaller companies, there is a growing number of mid-size and small companies which implement call centers. In contradiction to many European markets, the inhouse

call center segment is still dominating the market. Today, about 78 percent of the call center locations are based inhouse. The reason for this can partly be found in the well-known and traditional discussion about the fact, that organizations, who consider their customer contacts to be of critical importance, do not outsource the handling of those contacts. On the other hand, the annual National Contact Center Benchmark surveys show that many inhouse call centers struggle with delivering good customer experiences, on a stable basis.

However, even today many organizations still find it hard to handle basic performance issues like multimedia accessibility. Regarding the CRM promises, the achievements are even worse. In substantial parts of the Dutch call centers, the agents know little of the potential customer they are in touch with. Too often, the management focus, like in many other markets within the European community, is focusing mainly on production based performance indicators in the field of efficiency and cost reduction. When the call center concept was introduced into the Dutch market,

The good news is that at the same time, companies with a more strategic view will focus on developing more valuable services for their customers.

THE EXPERT

During his work as manager for a Dutch temping agency, Hans Bach started to work in the call center market in 1992, when he was asked to manage the influx of 20 multilingual agents every two months for a US computer and printer company in Amsterdam.

At the top there were 1.100 agents working in this pan-European multilingual call center organization. Bach wrote his first book titled "Human Resources in Call Centers" in 1998. In 1999, he launched the NCCA (National Contact Center Awards), which are held every year in April with over 850 attendants.

He also participated as chairman or speaker in over 150 seminars. In 2001 he started his own company called Call'm (www.callm.nl). The companies are united in the Call'm Holding and specialize in the customer contact market with consultancy, interim management, quick scans, market analyses, executive search and workforce management.

many of the first movers were third party providers. They introduced many new business concepts in the first few years. But, after that period, the competition grew steadily, with the consequence that many of the call center pioneers started to focus on scale-enlargement, serving their clients mainly in large inbound customer service projects. The effect was, that a decent distinction between many outsourcing call centers was harder and harder to achieve, except for the pricing.

Today, more and more third party call center providers are faced with low margins and fierce competition. We foresee that this development will lead to a certain 'shake out' of parties that simply will not be in the position to operate profitable on the long run.

The good news is that at the same time, companies with a more strategic view will focus on developing more valuable services for their customers. For instance by focusing on the transformation of pure service contacts into commercial contacts with cross and upselling. Or by trying to bridge the gap between marke-

ting and service – which is still evident in many organizations. Call'm expects there is going to be a bright future for those third party call centers who succeed in adopting value added services and at the same time be a true partner for their clients.

Dutch centers are often used for the more complex customer interactions. There is a remarkable success of HCN in Turkey. In the last three years this Dutch company started call centres in Istanbul and Antalya, with a workforce of Turkish people that have lived in the Netherlands for long but returned to Turkey eventually. Also the steps of typical Dutch call center parties like Key-Net and Vanad to move abroad and operate in the European market, show the potential of future abilities. Vanad recently started in Germany and Key Net works together with an Italian partner in Callcenternet. Together, they run call centers in the Netherlands, Italy and Rumania. Great opportunities are certainly in store for Dutch call center providers which are ready to operate on a global basis.