

"Emerging Communications Technology and Your Business" Seminar Review

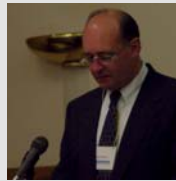
3rd Annual Seminar
Presented by:



The Key To Business Success: Starts with Education

In his opening address to seminar attendees, Paul Denaro, President of General Communications Corporation (GCC) said, "the mission of this annual forum is to help companies unify their communications, and improve customer relationships. Plus, the future of my company depends on an educated marketplace that is exposed to new applications."

Accordingly, Denaro stated that General Communications Corporation has committed to a vision that includes educating its customers and the regional business community about the role of new communications technology in enabling organizations to be more competitive and profitable. The "Emerging Communications Technology and Your Business" seminar is an effective means to bring this vision to reality.



Paul Denaro,
President of GCC

The annual forum brings together experts from academia, business, the media and communications industry to update business leaders on how they can make informed decisions about communications technology.

"Our children are growing up utilizing technology in ways we never thought of. More than ever, business success will be dependent on being open to new ideas and having mechanisms in place that allow for change. Therefore, we all need to be knowledgeable about new trends, new applications and technologies that will facilitate next generation business growth."

"As GCC becomes more familiar with new applications, we realize that our education is just beginning. In turn, we must communicate the opportunities and methodologies." said Denaro.

Seminar Attendees Speak

"The seminar was very relevant to my concerns."

IT Manager

"It was very informative, interesting and organized. I specifically enjoyed the varied menu of speakers and topics."

VP of Client Services

"Extremely valuable to see where the technology is going. Nicely done!"

Customer Care Manager

"It was great to learn about the different VoIP options. I am looking forward to the next seminar"

VP of IT



The 3rd Annual *General Communications Corporation's "Emerging Communications Technology and Your Business"* seminar was held on May 21st, 2002 at the Crowne Plaza Hotel in Woburn, Massachusetts. Every year, the seminar expands in size and scope. This year's seminar not only provided updates on key communications technologies that businesses need to know about, but examined strategies for building successful customer relationships.

Looking Back, Looking Ahead at Unified Messaging and Voice over IP

Market Analysis from Steve Flagg,
Director of Technical Services at General Communications

Initially, Unified Messaging (UM) was promoted as helping people manage their voice, e-mail and faxes. According to some widely cited statistics, employees were getting over 100 messages a day between these sources and the number of messages was expected to dramatically increase. Although the early solutions looked and sounded good, implementing Unified Messaging was an enormous task and the benefits were difficult to measure. Most importantly, there were daunting integration problems in connecting e-mail servers with voice mail systems, because there was a lack of open standards. Thus, the initial market for UM was disappointing.

Over the last few years, widely adopted standards have been implemented and unified messaging has become more popular for a number of reasons. As the workforce is now more mobile, having immediate access to communications is a necessity. Plus with UM applications adding real time connectivity features and the introduction of text-to-speech and speech recognition technologies, the return on investment is more measurable.

VoIP is also starting to make a major impact. Although significant hype was initially associated with this technology, VoIP provides an excellent solution for companies that have multiple offices and remote employees. Flagg said that GCC has implemented VoIP solutions over frame relay and ATM networks and the experience has been favorable.

Expert Panel Examines Keys To Building Profitable Customer Relationships



Bill Lane, managing editor of the *Boston Business Journal*, led a panel discussion on "Building Customer Relationships for Profitable Results". The panel included, Curtis Bingham, President of Predictive Consulting; Laura Booth, Customer Service Manager at WorldWinner.com; and Dr. Bruce Weinberg, Associate Professor of Marketing at Bentley College.

"Inherently, companies can connect with their customers through Demand Chain Management," said Bingham. "This means that the customer is placed in the center of the organization. All business units focus around the customer. Information from the customer is integrated into each business process. Relationships with the customer are about delivery and discovery rather than simply pushing products to customers and hoping for the best. Conceptually, Demand Chain Management supersedes CRM, SFA and other tools."

Dr. Bruce Weinberg emphasized the importance of companies taking their service commitments to the next level by striving to create memorable experiences. He cited Starbucks and Disney as two companies which effectively execute on this principal.

Booth cited the need for companies to regularly disperse information to employees. From personal experience, she recalled a number of instances where call center personnel were not updated on new offerings, which led to poor customer service and product marketing managers not getting important feedback.

While customers are naturally concerned about costs, they also recognize there's a cost for failure, remarked Weinberg. As a result, customers are becoming more interested in other relationship variables - such as whether their vendor will be around to support them.

There were many questions from the audience - ranging from how to motivate customer service employees to strategies for handling sensitive customer information. It was suggested that in order to avoid customer service burnout, representatives should work a 4-day week.

Applications Driving Bandwidth Requirements

"The growth of the web is a major force driving the dramatic demand for bandwidth," Tim Whelehan, regional manager at PaeTec Communications told seminar attendees. He said companies, including his own, are now rapidly deploying applications on the web and this trend will only accelerate.

In addition, as companies continue to web-enable their customer care centers and grow their e-commerce operations, bandwidth considerations will require a greater focus on reliability, scalability and security issues.

The most common enabling technologies include ISDN, T1s and Frame Relay Networks with IP VPNs gaining popularity as they offer many distinct benefits. Even though newer technologies are emerging, Whelehan doesn't expect ISDN or Frame Relay Networks to disappear for a long time.

Companies should not use technology as a driver, but rather their applications should dictate their bandwidth considerations. Echoing a common theme heard throughout the seminar, he said that it's critical that companies perform their due diligence in evaluating carriers as they are literally putting their businesses on the line.

"Customer Relationship Management is often associated with technology, but it really needs to be considered as a process."

Dr. Bruce Weinberg

Videoconferencing Allows for New Possibilities

- Solutions being tailored for specific industries
- IP is the catalyst for growth
- Network effect will really drive market

Every communication product will deliver video by 2010, predicated Ned Semonite, Executive VP of Marketing at Polycom. He said evidence is already building, pointing out that some laptops now include cameras and a new generation of cell phones in Europe are showing video images - although they are grainy.

Originally, companies purchased video conferencing to achieve costs savings (i.e. no airfare, hotel and related expenses). But Semonite said there is another more relevant factor driving the market. Namely, that time is a precious and limited resource. For example, per each day a drug company can shave off its product release schedule, there is a savings of one million dollars.

With resources scattered all over the country, collaboration tools have become of paramount importance. Using videoconferencing, you can be in London, Texas and California in the afternoon and then return home to your family in Massachusetts at night. Sure you could use e-mail or the phone, but we are visual creatures. Semonite believes that videoconferencing won't replace face-to-face meetings or the phone, but will fall somewhere in between.

Just like the evolution of the fax machine, videoconferencing will follow a similar route. At one time, you had to ask if a company had a fax machine. Now you take it for granted. As more companies got fax machines, there was greater impetus for other companies to purchase one. This same network effect will drive videoconferencing growth.

Building Better Relationships In Your Contact Center

- Call Centers need to handle new media types
- Shift from cost centers to profit centers
- Leverage and integration are key

After hearing the panel discussion stressing the importance of bonding with customers, the presentation by Ken Berggren of EasyRun, on contact centers was very timely.

The role of call centers has dramatically changed over the last decade. This transformation has been dictated by many factors including: competitive pressures, new business models, emerging technologies, changes in market preferences and the need for increased productivity.

In the past, call centers were the domain of larger companies. Associated technology primarily consisted of 800 numbers and an Automated Call Distribution (ACD) system. Hours were limited, agents were not well trained and they primarily handled complaints.

But how things have changed. Today, businesses large and small are using call centers for a wide variety of purposes like customer service, sales, technical support and help desks, noted Berggren. The common

Breakdown by Communication Channel Today and in 2003

Type	Today	2003
Telephone	58%	48%
IVR	11%	12%
Call Me	2%	3%
Fax	7%	6%
Chat	2%	2%
Co-browsing	6%	11%
E-Mail	14%	18%

source: AMR Research, Jan 2002

theme among all these applications is the customer.

In addition, employees are better trained and include highly skilled professionals making six figure salaries. Customer Relationship Management (CRM) is becoming an integral component.

As people embrace new media types, call centers must be able to work with various media types such as e-mail, web chat and co-

browsing. As the Breakdown by Communication Channels table shows, there is a significant decline in the percentage of telephone usage. There are segments of people who are computer centric, where e-mail and web chat are the overwhelming preferences. For example, the younger population have embraced instant messaging.

"Companies have taken many different routes to accommodate their customer, prospect and internal clients. However, a jigsaw approach typically characterizes the situation," said Berggren. Accordingly, PBX, IVR, ACD, Dialer, CTI and CDR systems are separate from each other, which is not only costly to integrate and maintain, but this setup lacks depth with key capabilities, especially when it comes to intelligent routing and reporting.

To increase productivity and profits, companies want to be able to segment their customer base by lifetime value and strategic importance, and are seeking to automatically allocate resources for strategic customers. There also needs to be provisions for self-service.

In order to succeed in today's marketplace, companies must compete by developing and maintaining relationships. But how can call centers adjust to these changing times?

The answer, according to Berggren, is a contact center application, which adds on to an existing telephone system. It uses CRM for rule-driven routing decisions. Agents can be located anywhere - at home, remote sites and overseas locations. Customers can use any media type - voice, email, web or fax for now and WAP (Wireless Application Protocol) and PDA's (Personal Digital Assistants) in the future.

This application should embrace open standards and architecture. Moreover, it must leverage existing PBX, CRM and web investments. In addition, the application needs to have API's and integration points.

Berggren presented a number of different scenarios where a contact center application would benefit a company.

CONTACT CENTER SOLUTION SCENARIO

A company wants to:

- Extend support to its best clients after hours
- Has a pool of qualified technicians in India
- Only wants to offer this service to people who pay for extended warranties
- Does not want to transfer calls over leased lines

Solution

Add contact center application and VoIP to existing PBX.

- Uses IVR to collect customer number on incoming calls
- Transfer VIP callers or extended warranty clients to India
- Uses VoIP instead of standard voice lines for overseas calls.

Bottom Line

Better service for VIPs, less phone line cost, use of existing agents.

It's easy to proclaim that a company is "customer focused", but much harder to insure that a company has the technology and processes in place to meet this objective.

Without an integrated contact center solution, companies are at a competitive disadvantage. A contact center solution provides a measurable return on investment through increased revenue (i.e. selling, up-selling, entitled support), reduced headcount, task automation and agent efficiency, Berggren concluded.

Wireless Goes To Work

"Given the popularity of wireless phones, it's no surprise that there's a clamoring for wireless connectivity across the enterprise," said Wes Pace, a senior sales engineer at Tadiran Networks (a business partner of General Communications Corp.)

The wireless revolution is being propelled by the 802.11b protocol, which is also known as Wi-Fi or WLAN. The protocol is a set of rules that allow wireless modem users access to 802.11b networks. It is used to connect notebooks and PCs to a computer network. Data rates are up to 11 Mbps.

The most recently approved standard, 802.11g, offers wireless transmission over relatively short distances at up to 54 megabits per second (Mbps) compared with the 11 megabits per second of the 802.11b standard. Like 802.11b, 802.11g operates in the 2.4 GHz range and is thus compatible with it.

Similar to 802.11g, 802.11a delivers up to 54 Mbps, with extensions to even higher data rates made possible by combining channels. Due to higher frequency, it has a shorter range (i.e., 802.11b and 802.11g). This increases the cost of the overall system as a greater number of access points are required. However, the shorter range enables a much greater capacity in smaller areas via a higher degree of channel reuse.

A competing wireless protocol is called Bluetooth, which is a low power, short range technology for unlike devices. It is a combination of packet and circuit switching data encryption. This represents a low cost, limited power option to 802.11.

Pace emphasized the importance of doing your homework when considering wireless options.



Talking About Speech Recognition

It's been in development for a long time, but speech recognition is finally coming out of the laboratory. Speech recognition allows users to speak entries rather than punching numbers on a keypad. It works in conjunction with touchtone.

According to Steve Flagg, Director of Technical Services at General Communications Corporation, the best situations for speech recognition include: where commands are given, a select vocabulary is employed (i.e. what's my balance?) and when the given reply has short content. On the other hand, speech recognition is not very effective in noisy/public environments, when there's heavy dialects, complex navigation and when the context is sensitive.

Popular applications for speech recognition include auto attendant, contact dialing and interactive voice response (IVR). In the case of IVR, specific uses include providing information, conducting transactions, requesting information and transferring the call.

Speech recognition is still pricey - most notably for IVR applications. As a result, the market has been relatively small. However, prices are decreasing and more practical offerings are being released.

ABOUT THE SEMINAR SPONSOR

General Communications Corporation is an innovative integrator of communication technologies, providing both advanced applications and customized solutions for our customers.

Our engineering and implementation activities complement each other, assuring that our customers always receive practical and up-to-date solutions. Our consultative expertise enables us to deliver a turnkey solution. Throughout our 23-year history, General Communications Corporation has always demonstrated the resourcefulness and creativity that enables our customers to meet their business objectives.

General Communications Corporation
111-112 Cummings Park Woburn, MA 01801
(781)756-5100 (800)443-6372
www.gcctel.com

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