Enabling Hosted Services through VoIP

In previous columns, I've talked about how VoIP promotes virtualization of multi-site contact centers and a number of other application opportunities for premise-based facilities. But VoIP is also enabling service providers to offer a new generation of hosted technology solutions for their customers.

Old Wine in New Bottles? But haven't we heard this before? What about the hype surrounding ASP (application service provider) offerings a few years ago that never really went anywhere? Is this wave of technology hosting any different?

There are a couple of key differences. Perhaps the most important is the functionality and cost-effective flexibility that VoIP brings to the equation. The carriers are making major upgrades and changes to their networks to support these services. Over the last year or so, there has been a steady stream of announcements of new service offerings or service-enabling capabilities, such as SIP based trunking and MPLS, to support contact center technology hosting. The carriers are offering these services directly or through independent service providers that use the carriers' capabilities.

In addition, economic pressures and technology uncertainty today mean that enterprises are looking for ways to offload some of the risks of making their own capital investments.

Two types of offerings are now gaining traction – IVR hosting and full contact center call routing and reporting using Centrex ACD-like functionality. Within these two groups there are several architectures and options available depending upon the enterprise's requirements.

IVR Hosting. Many companies are evaluating a hosted solution when upgrading their IVR systems. A key reason is the growing attraction of automatic speech recognition (ASR). But the challenge of ASR is that the industry is undergoing a technology shift (two leading companies, Nuance and Scansoft, just merged). And, effective ASR requires careful design and ongoing tuning of the application. So, offloading the technology risk and maintenance to a hosting company can make sense.

VoIP functionality provides flexibility that enhances IVR hosting. In a typical scenario, a call starts in a hosted IVR and is then routed to an agent at one of several sites. With IP connections over a SIP trunk or a private line to those sites, intelligent routing capabilities via CTI can get the call to the most appropriate agent. Beyond this basic functionality, here are some of the flexibility benefits available:

A hosted IVR works well as a logically centralized front end to a multi-site contact center environment. When coupled with intelligent call routing through CTI, companies can create a virtual contact center with advantages such as centralized agent queuing, reporting, and management.

With VoIP connections from the hosted IVR to the enterprise facilities, calls can be redirected without the cost of traditional network call transfers between locations. In addition, VoIP network redirection of calls eliminates the need for traditional point-to-point circuits to support virtual queuing or overflows between multiple contact centers.

Hosting allows companies a choice – turn over the care and feeding of an ASR application or maintain it themselves. VXML-based applications allow the enterprise's staff to continue to do development and support. The service provider hosts the actual IVR ports, with the IVR application(s) residing on separate application servers either with the service provider, or within the organization's existing infrastructure. The ability to separate the ports and applications helps overcome cultural or operational barriers to hosting IVR technology.

IP Endpoints and Network Based ACD. The second growth area is to provide ACD functionality at the enterprise location(s) using a network-based VoIP soft switch. The enterprise's agent staff use hosted technology rather than premise-based equipment. Companies facing major infrastructure upgrades may well consider this solution to avoid large capital outlays and to gain potential operational advantages and to reduce internal staff requirements. Other key benefits include:

Centralized routing, reporting and management of agents that accompany IP virtualization, especially in a multi-site environment. Conversion of an existing single site contact center would require a more detail analysis to provide a strong ROI.

Ability to support fluctuating contact center technology needs or changing business requirements brought on by growth or acquisitions.

Many service providers can now also provide hosted services for quality monitoring and full time call recording. Data from these systems can be collected, retrieved, and stored at the enterprise data center for management and review.

A hosted solution can be very attractive to a smaller company needing sophisticated technology capabilities that would be expensive to acquire and develop. It's also attractive to companies needing to provide capabilities to remote or home-based agents.

What's Needed Next? VoIP accelerates the potential for hosted services to become a viable alternative to premised based and managed technology. To fully realize this opportunity, the service providers must solve three key challenges: First, make these offerings scalable to thousands of seats to meet the needs of large companies. Second, get more visibility and excellent references. Finally, get pricing in line to show demonstrable ROI benefits.

Of course, all these challenges are interrelated. But the bottom line is that VoIP enabled hosted services are beginning to make their presence felt through options that were not available just a few years ago.

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