MPC

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MPC: The Pioneer of Korean Contact Center Business

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MPC is a specialized CRM company providing one-stop service through contact centers and has built a No. 1 "MPC Brand" in the industry. Founded in 1991, MPC has expanded into CRM solutions and services by launching businesses with database marketing. On Dec. 12, 2005, MPC became listed as the first company in the CRM industry on KOSDAQ. Now, MPC reserves 2,932 seats nationwide. MPC provides inbound/outbound services through various channels, such as phone and e-mail, and analyzes operating results in various aspects to improve services and make suggestions. MPC offers specialized training based on analyses of customers' requirements. Also, MPC develops essential solutions for customer consulting and management. In this case, we describe how MPC succeeded in the Korean market and identify its key success factors. Also, we discuss the issues faced by contact centers and suggest solutions.

Key words: Contact center, CRM, Telemarketing

I. Introduction

MPC is a specialized CRM (Customer Relationship Management) company providing one-stop service through contact centers. Founded in 1991, MPC has expanded into CRM solutions and services by launching businesses with database marketing. MPC has accumulated 10 years of abundant know-how for domestic first call center outsourcing, leading the industry with many self-developed solutions. MPC is different from subsidiary companies receiving orders from parent companies, in that it is an independent company solely built on customers' trust. MPC provides CRM solutions such as CenterMax, Teleweb/Telepro, and TeleVoice to consumers with optimized one-stop solution shopping.

In 1993, MPC initiated database consulting and a customer center agency business. In 1996,

MPC enrolled in the Korea Software Industry Association as a member company. After working out an agreement with a worldwide partner of US Sprint Telecenters Inc., it benchmarked Sprint Telecenters Inc.'s advanced call center operating technique. Furthermore, MPC developed and perfected TelePro V 1.0, which consisted of a solution package for CTI and DB marketing. It showed its growth by enlarging the Customer Center in Seoul from 200 to 350 seats in 2000. MPC also received many awards such as the "2005 Best Call Center Technology Award" under the auspices of the Korea Call Center Information Research Center, the 2006 Korea HR Outsourcing Leading Company, the 2006 Korea Customer Satisfaction of Outsourcing Great Service Award, and the 2007 Korea HR Outsourcing Leading Company.

MPC develops essential solutions for customer consulting and management. It has focused on efforts to develop eCRM solutions to keep pace with the rapid growth of online business. It maintains the most suitable solutions for eCRM with WizWeb, a CITI solution for comprehensive customer centers; WizPlus, a real-time recommendation system; and WizPost, an automatic e-mail assortment system. MPC is capable of providing speech solutions such as a telebanking service for banks, stock exchanges, reservations, and telephone guides. Moreover, MPC has recently developed an Internet call center agency service, making it possible to offer real-time

<Figure 1> MPC's Business Sectors

CRM SOLUTION

CRM CONSULTING

e-CRM SOLUTION

A successful Marketing Partner for Customers

CRM SERVICE

SPEECH SOLUTION

● Five business sectors are related organically and produce synergy effect for a successful Marketing Partner for Customers

consulting, file transfers and communications over the computer for customers using the Internet.

II. MPC's Products: The Source of Its Competitive Edge

2.1 MPC's CRM Services

MPC works very hard for better quality service. First, there are many experienced contact center managers who have the know-how to make best service quality possible. MPC's recruitment division recruits year-round to seek people who can provide high-quality service and outstanding manpower. In addition, MPC has built effective transfer and motivation programs. With respect to infrastructure, MPC owns contact centers with secure systems and customer-oriented programs. With systemized full and in-house outsourcing, it owns contact center operation manuals. It is noteworthy that MPC provides customized services for clients according to their needs. Moreover, MPC always attempts to improve its contact center based on analyses and processes for clients so as to provide the best quality service.

The contact center should be recognized for playing a considerable role in improving MPC's quality service. It performs consulting quality control in a way such that all of the agent services are recorded and assessed according to the

〈Figure 2 MPC's CRM Services〉

criteria for feedback and improvement. MPC also monitors competitors' service standards and compares them with those of MPC for improvement measures. Client employees' attitudes and friendliness on the phone are analyzed through weekly/monthly QA reports. After the QA analysis, coaching changes are based on results for service improvement.

MPC provides training courses for agents and managers to improve the capabilities of consultants and managers. In specialized training, MPC teaches new agents C/S and claim processing for inbound services. In outbound services, it teaches agents how to respond to customers, resolve conflicts, and utilize successful sales techniques. Not only new agents, but also managers participate in manager training, supervisor training, part-leader training, QAD training, and internal instructor training. For skills training, MPC offers CS training, hands-on training, and quality training. In CS training, professional agents are taught communication skills, efficient consulting, service skills, and stress management. In hands-on training, MPC teaches product & service training, system applications through script utilization, role-playing, and one-on-one coaching. MPC promotes improvement by teaching the necessity and importance of QA, consulting quality improvement, call quality assessment & improvement, self-monitoring, and peer monitoring in quality training. This variety of training courses brings facilitates central benefits. Properly trained employees who demonstrate professional skills can improve customer satisfaction and loyalty. In return, MPC can retain customers and improve profits, since it costs less to retain customers than to acquire new ones. This also allows MPC to position its brand around superior customer experience and excellent customer service.

2.2 MPC's CRM Solutions

These days, the relationship between a company and a customer is affected by a contact center's solutions. MPC not only operates contact centers, but also provides CRM solution services. MPC supports the most efficient operation of the customer consultation process by building distinctive manuals. In addition, MPC maximizes the efficiency of a contact center by developing recording systems and CTI (Computer and Telephony Integration) systems for the domestic environment.

MPC has eight different systems of CRM solutions to contribute to quality service. First, its Teleweb supports the most efficient operation of the customer consultation process. Its advanced CTI-based contact center provides a one-call service system for customer support. It has flexible- system expandability and compatibility to support DB marketing and telemarketing. In addition, the Televoice of MPC should be mentioned. Voice info, service recordings, and other recording systems are compressed by

digital audio technology, which is transmitted to servers via networks, then converted to databases to save and search voice info and recordings. Its automatic multi-line recording feature is capable of recording equipment statistical analyses, calling databases, calling monitoring and recording playback, and checking security and trouble-shooting. Telecare, the VOC contact point for CRM activity and an analysis and monitoring tool for managers, has various channels that are processed and managed by systemized and integrated processes. Each type of VOC is assigned to a manager, and pages and processes are provided for managers to process them swiftly using VOC guidelines. Other processing monitoring such as DW VOC-processing scripts, e-mail/SMS, and VOC receiving are provided in order to maximize productivity. An auto-operation management system called Center Max optimizes MPC's efficiency. There are flexible evaluation tools, strong strategic tools, and user-centered pages, and call quality is evaluated by recording phone conversations in real-time. Anyi, a contact center agent application, is a new recording solution for financial institutions that converts and restores recording files and the media of systems involving different vendors to search for or play them conveniently. One management program can conveniently search for and play different files. AVA (Audio Video Application) is a face-to-face monitoring system for banks/insurance companies or communication/manufacture services. This solution saves agents' PC screens and consulting information so as to manage service quality and customer satisfaction rates. Conversations between visiting customers and agents are recorded along with the PC screens. QA/monitoring tools also exist for service quality control. IPCC is MPC's proven know-how technology that is applied to help clients build contact centers using the solutions provided by AYAYA, a world-leading Voice Solution vendor. This technology improves response rates to their maximum levels and convenience for customer satisfaction. There is also AYAYA solution-based IP telephony called IPT, which extends the limit of efficiency and cost-saving relating to separating voice and data in previous networks by using a solution provided by AYAYA. MPC provides a variety of CRM solutions for companies in order to increase customer satisfaction, thereby helping to improve service quality.

2.3 KOSDAQ (Korean Securities Dealers Automated Quotation)

On Dec. 12, 2005, MPC became listed as the first company in the CRM industry on KOSDAQ. Listing any company on the stock exchange is not easy. A company has to satisfy many legal requirements under a myriad of regulations, as well as stock exchange listing requirements. However, MPC is able to enjoy many benefits, compared to when it was a private limited li-

〈Figure 3〉 MPC's CRM Solutions

ability company. For example, it is usually easier to raise capital as a public company. Capital raised can be used for a variety of purposes such as growth and expansion, corporate marketing, and development.

Another benefit is exposure. MPC may attract potential partners, customers, and most importantly, investors. Getting listed usually results in substantial value increases to the company's founders. This is quite a benefit because public companies sell at an average of 20-30 times their net earnings, while private companies receive an average of only 3 to 6 times their net earnings.

Prestige is another benefit, given that a public company shows credibility, which usually allows customers and suppliers to become aware

of the company's business and management. Finally, the last advantage can be transparency, which creates shareholder confidence and consequently increases the number of investors.

It is, indeed, true that MPC's profits increased from 124 million won in 2011 to 140 million won in 2012. With proof of its profits, MPC has shown its potential to become greater in the future, insofar as it possesses considerable benefits, compared to a private limited liability company. It is obvious that MPC has many benefits in terms of its potential to grow and expand across the world.

Ⅲ. Discussion

3.1 Emotional Labor Management

Companies can manage customers efficiently through contact centers. Such contact centers have developed rapidly while being recognized as a channel to communicate with customers, and they are still steadily growing. In line with this trend, many universities have established relevant majors, and local governments have tried to attract contact centers in order to stimulate the local economy. The contact center industry is growing day by day, but contact center consultants are not satisfied with their careers due to negative perceptions and prejudices by society, poor working environmental conditions, and emotional exhaustion.

While consultants provide telephone services, customers freely express their anger, hostility, and abuse toward them (Choi et al. 2012). In other words, unsatisfied customers vent their anger toward contact center consultants, who become invisible targets of customers' ire. However, consultants' positive emotional expressions, such as smiling or a speaking politely, are codes of conduct required by companies (Yoon et al. 2010). Generally, service organizations' emotion management includes tone of voice, facial expression, and language usage (Rafaeli and Sutton 1987). These codes significantly contribute to achieving a company's service goals, but simul-

taneously increase consultants' emotional labor demands (Kim and Ha 2009). Emotional labor can be defined as the degree of manipulating one's inner feelings or outward behavior in order to display the appropriate emotion in response to the display rules or occupational norms (Ashforth and Humphrey 1993; Hochschild 1983). Emotional labor is created by differences between the actual emotional state of employees' own experience and the emotional expression required by the rules of the organization.

In addition, emotional labor is created by time pressure. Shin (2009) argued that the productivity indicators of contact centers, which are measured in minutes or seconds, make it difficult to recover emotionally from angry or abusive calls by subdividing the concept of consultants' time. In particular, this research shows that there are many measurement factors such as the average call duration (in minutes), average processing time (in minutes), average response rate (in seconds), or e-mail processing time (in minutes). Ryu (2011) demonstrated that most contact centers manage call responses, customer relationships, and other task processing through information and communication technology. This research argues that this electronic monitoring by managers may lead to enhanced labor control. The CTI system can transform a consultant's working situation into objectified data, recording individual break time, as well as total working time, waiting time, and processing time.

Contact centers are bound to be sensitive to

customers' reactions. Thus, companies are required to support the consultants of contact centers. Companies need to come up with measures to protect consultants from abusive customers. Further, the legal system should be established to punish some customers who act with malice toward contact centers, and to respect the consultants' human rights.

3.2 Leakage of Private Information

The handling of customers' personal information is essential for a contact center that connects customers and businesses. Most consultants of contact centers use customer information. Recently, the number of consultants using customers' private information has steadily increased as contact centers become larger and more centralized. According to the Korea Contact Center Association, the number of contact center consultants was estimated to be approximately 800,000 in June 2008. Thus, contact centers must manage customers' private information more thoroughly.

In general, customers have negatively recognized the use of personal information. Noh (2000) showed that approximately 23% of all respondents do not trust companies in any situation with respect to using personal information. Therefore, the first step would require a change of public perception regarding the reliability and fairness of using private information in order to change these customers' attitudes.

Lim (2010) also showed that 67.2% of all respondents believe personal information should not be used, if at all possible. They avoided giving out their personal information, even if they could receive benefits from doing so. This research suggests that services providing benefits to customers are not capable of changing customers' attitudes regarding personal information.

Thus, contact centers should build customers' trust in the collection, management, and use of personal information by improving the transparency of the collection and distribution channels of personal information. Collection through the unclear path and indiscriminate distribution of personal information creates negative perceptions toward the use of personal information. Contact centers should inform customers of the collection path and plans for using personal information. By doing so, customers will be able to trust contact centers and companies. In addition, contact centers should enhance their ethics education for consultants regarding the importance of personal information protection. It is important to follow protocols for protecting personal information before using such information.

3.3 The combination with social media

In 2011, Facebook surpassed Google in the number of visitors. This means that people use more social media than search portals when they want to obtain information. Customers are already accustomed to real-time communication using smart phones, but companies have

not been able to utilize this service. Most contact centers still focus on telephone services, thinking that friendly service and a fast response determine service quality.

However, customers are demanding timely information and integrated services. Separating sales, services, and contact centers into distinct entities cannot meet customers' needs. Customers want companies to understand what kind of services they need; moreover, they want companies to provide such services in a timely manner without going through several steps.

In the new services market, contact centers should evolve to prepare for the post-PC era. The number of national smart phone users has surpassed thirty million. People use the Internet everywhere and communicate via online space naturally. Contact centers should introduce devices and systems related to this trend and should provide real-time online customer services. For example, it is possible to establish a network with a contact center through an application that customers download.

With the development of applications, building a monitoring system using social media is essential in this smart era. Active customers who call contact centers and express their problems are just a few. Smart contact centers should read these conversations online so as to closely understand the psychology of their customers.

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