

So, can dialers cope under compliance?

In the days of unrestrained predictive dialing, dialer design was never a major issue. If the talk time per agent hour was not high enough, you simply dialed more calls, pushing up the nuisance call rate. With the gradual move towards codes of practice for dialers, excellence in design has become vital, as companies seek to get maximum performance from their predictive dialer while operating within the limits laid down by the compliance rules, either in place or looming on the horizon.

The new compliance rules in the US have not been set because dialers could manage well within those rules. This was hardly considered! They were set in order to drastically reduce the numbers of nuisance calls that dialers have been inflicting on consumers in the US. Consumers 1, Dialers 0!

Pre-compliance, nuisance call rates were running at well in excess of 100% in the US, i.e. for every answered call connected quickly to an agent, there was at least one that wasn't. The called party was:

- hung up on before they could get to the phone in a reasonable time, or
- hung up on, i.e. 'abandoned' when they answered, or
- they were put into a hold queue while the dialer waited for an agent to become available

The outbound industry, in perhaps the most inept lobbying ever to grace Washington, tried to persuade itself and anyone else listening that the real level of these nuisance calls was around 5% of answered calls! The problem with this claim was that regardless the real levels of nuisance calls, the abuse was clearly so high that something had to be done. If the industry thought it was doing 5%, a lower maximum figure had to be set! So the FTC came up with a maximum allowable figure of 3%.

How did the industry react to this? Any dialer vendor worth its salt immediately brought out white papers and strategies making it clear that their products would be compliant with the new rules. At the risk of sounding unfriendly, "Big deal!" There is nothing difficult about being compliant. All you do is restrain your dialer once it reaches the maximum allowed for abandoned calls. But what about the impact on performance?

Imagine this for a moment. Think of a motor car that has been given 100 gallons of petrol to get from Point A to Point B, and where someone then comes along, siphons off 97 gallons, and tells them to go for it! Still not sure?

Here's another way of looking at the issue. Imagine that you are running a predictive campaign where

- one in every five calls is answered by a person, and
- you are working within the FTC limit of 3% for abandoned calls

What is the maximum number of abandoned calls you can make per 1000 calls dialed? This is not a trick question; think about it for a moment, before you check your answer at the bottom of this page.

The result from the above is completely at odds with how dialers have been designed and thought of historically. Suddenly abandoned calls are not only the sole kind of nuisance call that a dialer can make, but they have become a scarce resource. Use up your small quota too quickly and you are done for! So how quickly do you think this number of abandoned calls might be used up in our example of 1000 calls?

Unless predictive dialers have been designed from the ground up to cope instantly and precisely with any and all changes to campaign conditions, and deliver a dialing rate that corresponds to a target of 3%, then they are unlikely to get far into the 1000 calls before using up the allowed abandoned calls and being forced to shut down into progressive mode i.e. dialing just one line, rather than several, for each call. Of course this means that the 'predictive benefit' on a campaign will fall off sharply, taking talk times per hour down from as much as 45+ minutes in the hour to perhaps around 30 minutes in the hour, or less.

One leading call center vendor who was either extraordinarily honest, or a bit naïve published a statement on their web site implying that if you were going to work within FTC rules you could not expect to achieve any predictive performance. It was gently pointed out to them that with the right design, it was possible to achieve decent, even stellar performance under compliance. No comment - but within a very short space of time the 'offending' web page quietly disappeared!

So what is a user to do? We suggest the following approach

- Understand the difference between dialing under compliance, and effective dialing under compliance; they are two quite different things!
- Be mindful of the old phrase "let the buyer beware!" And beware the power of marketing! The predictive dialing industry has been hit not with a sledgehammer, but with a veritable earthquake, and virtually all dialers require not just an overhaul but also a redesign to compete and give good predictive performance under compliance.

- In this new market beware of all vendor claims and expect to put **everyone** to the test, including us! If you cannot see with your own eyes that **your campaigns** can get decent performance under *all* the rules of compliance, then keep your money in the bank. Beware especially of the reference visit where someone gets 45+ minutes talk time in the hour, and that's the reason for you to buy. The fact is that under many campaign conditions, this level of performance can be easily achieved with just progressive dialing!

Answer to question in the text:

Number of abandoned calls per 1000 calls = $1000 \times 20\% \times 3\% = 6!$

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