

ECOMMERCE SOLUTION NEWS

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Q&A With Alpine Access CEO Chris Carrington

Outsourcing has its fans and its detractors. Many companies would like to take advantage of promised cost-savings, but they're reluctant to entrust such critical activities as customer service to third parties. Now, a home-based call center pioneer, Alpine Access, is offering to show them how to get the best of both worlds by setting up their own distributed agent networks.

Not that long ago, the outsourcing of customer service to home-based agents was a small niche category, viewed as not quite on par with a bricks-and-mortar call center operation. For a number of reasons, that perception is changing -- starting with the lower costs involved in using a home-based agent network, and ending with the growing number of quality providers that have highly qualified staffs on hand.

With several years of operations under its belt, Alpine Access could arguably be the poster child for that movement. Now, the company is pushing the model even further: It has just begun to provide consulting services, as well as employee training, for companies that want to set up their own agent networks.

Alpine Access CEO Christopher Carrington spoke with CRM Buyer about his company's plans along these lines, as well as how the recession has affected its operations.

CRM Buyer: How is Alpine Access weathering the economic downturn?

Chris Carrington: The best evidence I can offer is our top line. I'm happy to report 17 percent higher growth in Q1 compared to 2008 Q1.

CRM Buyer: What are some of the cost-cutting measures you've taken?

Carrington: Interestingly, we are seeing a lot of our customers and prospects taking cost-cutting measures -- but we have not had to. We had a strong Q1, and we are predicting a strong 2009.

In fact, we are investing more heavily -- putting more money in our sales area, and to developing new products and services. We just launched our consulting service division and invested more heavily in Alpine Access University.

CRM Buyer: How can your products help your customers' bottom lines in the near term?

Carrington: In tough economic times, the companies are looking to save costs. The reason we grew so strongly in Q1 is the fact that a home-based solution saves customers money. Companies using a [home-based] solution in the U.S. are [spending 15 percent to 25 percent less] than they would with a bricks-and-mortar provider.

CRM Buyer: What are some of the bright spots for your company right now?

Carrington: One of the most exciting is the launch last month of Alpine Access Consulting. For the first 10 years of our existence, we were purely an outsourcer of a home-based model -- and losing out on opportunities [with] companies that didn't want to outsource. Now, we can target those companies that want to set up their own home-based service network.

CRM Buyer: How will your company look a year from now?

Carrington: Based on growth projections, we will be 30 percent to 50 percent larger for the full year. We will continue to become a mainstream player in the U.S. for call center services.

CRM Buyer: Tell me more about the consulting service. Why would a company want to set up its own home-based network? Why not just outsource to a call center or to you? Also, have you gotten many inquiries for the service yet?

Carrington: A lot of companies still don't want to outsource customer care for whatever reason -- some figures say it is 65 percent of the market. So they want to do it themselves, but they also want to take advantage of the cost efficiencies of the home-based model. We just launched it, and already we have our first two engagements under way -- so, yes, there is a lot of interest.

CRM Buyer: Are you providing the infrastructure as well, or just consulting services?

Carrington: We are not there yet with the infrastructure, although we are looking at it. What we are doing is helping companies do virtual recruiting, training and management of a workforce that is completely distributed.

CRM Buyer: Tell me more about Alpine Access University. I am assuming it ties in with your consulting service?

Carrington: Yes, that is correct. Before, we were only training our own employees. Basically, we became expert in adult distance-learning. We've commercialized it, so we can sell it to companies that want to do at home themselves. They hire their own employees and then train on the AAU platform. It's another opportunity to put the brand in the market.

Also, in the second half of this year, we will begin recruiting for our consulting clients. What we have been doing is asking applicants who apply for jobs with us whether they are interested in being placed with another company in a similar job. We receive about 100,000 applications a

year, so we have a lot of qualified people waiting. We can do all the interviewing and hiring for these companies.

CRM Buyer: How much does it cost to recruit an employee?

Carrington: To interview a number of people, define the best person, do a background check -- (US)\$300 per completed recruit. In a bricks-and-mortar facility, we have seen that cost to be \$350 to \$450 per recruit.