

# Next generation call centre takes Samsung Life Insurance into the future



"This project is a move to establish an IT infrastructure that will enable us to respond more positively to customer demands"

– Jae-Ho Kim, Director, Customer Policy Office, Samsung Life Insurance.



In today's business environment, information technology (IT) has become an essential tool for delivering great customer service to gain the competitive advantage. This is especially so in the insurance industry where a premium is placed on customer service.

As the largest insurance company in Korea, Samsung Life Insurance has engaged HP to establish an IP contact centre (IPCC) that enables it to improve customer satisfaction while lowering operation costs.

"As a result of IPCC, our customer service has improved remarkably. Customer satisfaction is enhanced with the reduction of waiting time. The spin-off effect is that waiting time for customers who visit our branch offices has been cut by 30 minutes," said Jae-Ho Kim, Director, Customer Policy Office, Samsung Life Insurance.

Established in 1957, Samsung Life Insurance is a rising star in the total financial services industry. With total insurance valued at 36.7 billion won, the company is recognised as one of the Fortune 500 businesses in the world. In the category for life insurance companies, Samsung Life Insurance was ranked number 20 in sales revenue and number 14 in net profit.

Its growth is built on new management methods, active development of new products and an improved customer service system. The company moved away from the traditional sales and service methods, and incorporated various technologies to improve efficiency internally and deliver superior customer service externally.

#### **Rapidly changing market**

In a traditional environment, it is difficult to maintain the lead in a rapidly changing market, and there are challenges in actively meeting customer demands.

Samsung Life Insurance decided to review its call centre strategy and began working on a new master plan in July 2002. Its aim was to improve customer services by reducing customer waiting time, and to integrate call centres dispersed in five different areas into three larger centres to achieve economies of scale. In addition, the company intended to enhance its internal efficiency by reducing routine work at each branch.



In terms of technology, the company implemented a call routing system that meets various business demands. It embraced next-generation IP technology because, among other things, it hoped to prepare for changes that may take place in the future.

In particular, it took into consideration the establishment of a flexible infrastructure that will accommodate various media and future applications.

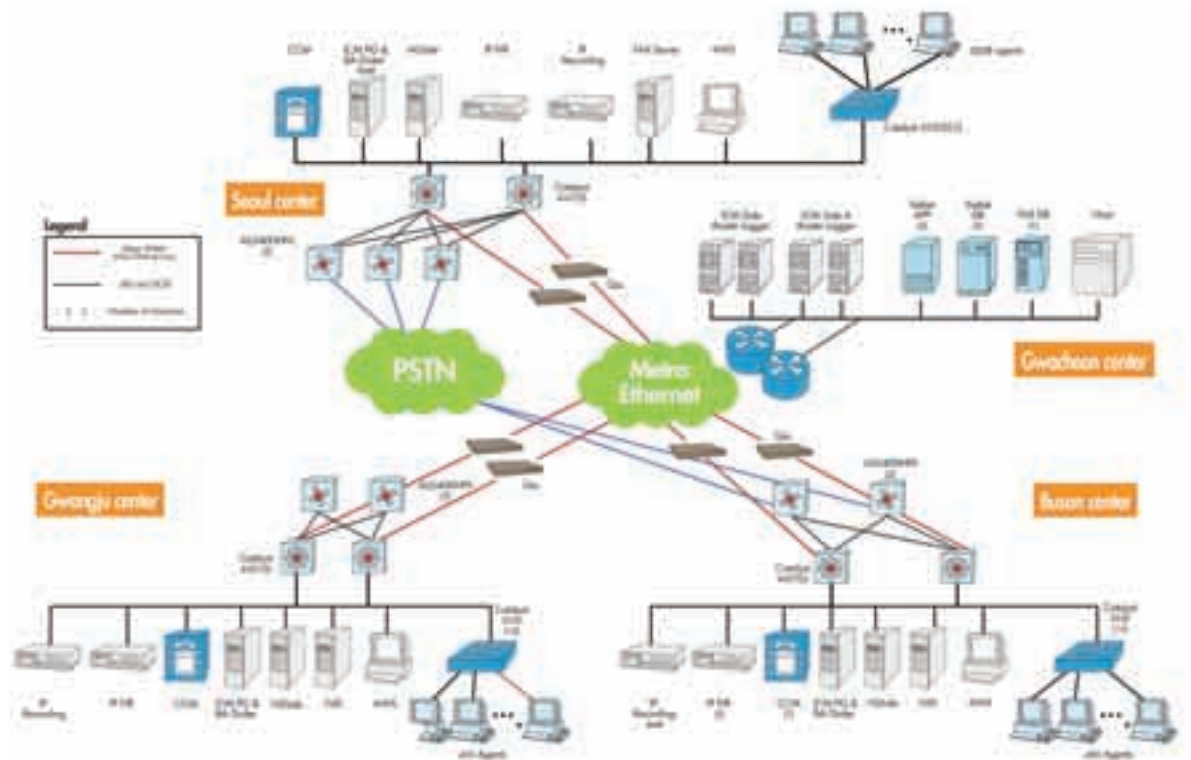
#### **Technological verification through pilot project**

After setting up the master plan, Samsung Life Insurance carried out a pilot project on IP-based call centre technology for two months. As it planned to establish the largest independent call centre in Korea and to introduce new technology, it needed to be thorough in its evaluation and testing.

Samsung Life Insurance then started working on selecting the right vendor for the project. It gave priority to vendors with proven reliability and good understanding of the new system.

After an extensive evaluation, it selected Cisco's next generation IPCC Solutions and HP's expertise in hardware and services.

# Samsung Life Insurance IPCC system



"We judged that HP is a company that specialises in IP call centres. We felt that the company is reliable because it runs a call centre research institute and focuses on developing IP technology. We also took into consideration the company's diverse reference sites," said Mr Kim.

## Establishment of a multi-call centre

With the help of HP, Samsung Life Insurance was able to establish a genuine IP-based multi-call centre and consolidate its existing call centres to three locations. A call centre infrastructure system for 1,200 calls was set up. In Seoul, the old PBX system-based solution covering 400 calls was replaced by Cisco's IP-based solution, and new centres that can cover about 400 calls were established in Gwangju and Busan.

For each centre, call routing without any regional barrier has become possible as the IP-based call centre

integrates voice and data. The company introduced the centralised call distribution system, one of the latest technologies for IPCC, and as a result, made it possible for optimum call distribution between three call centres. Under the new system, the Interactive Voice Response (IVR) script was moved from the usual voice-based Automatic Response System (ARS) to an IP-based IP-IVR, creating priority routing for preferred customers.

A dual system was set up to minimise failure response time and integrate peripheral devices such as IVR and TTS (Text-to-Speech).

As telephone calls for branch offices are directly forwarded to call centres, work efficiency at branch offices is enhanced, while customer service assistance is upgraded with better customer information.

### Remarkable improvements

The implementation of IPCC has brought about significant improvements. An independent customer survey reported that the customer waiting time at branch offices has been reduced by 30 minutes and this enhanced customer satisfaction.

"Call centres around the country, including the Seoul call centre, are run as if they are one big call centre, and accordingly, response for each customer has become much quicker," said Mr Kim.

Timely reports and statistics have helped the management team make better decisions. Information on customer inquiries are captured and stored for future product development and marketing strategy.

Samsung Life Insurance has proven that call centre management is possible even when it is regionally dispersed, and there are tangible benefits such as reduced management cost and maximised efficiency.

Following the successful deployment of IPCC, Samsung Life Insurance now plans to expand the scale of the operations.



## Challenges

- To establish a pure IT-based centralised call centre
- To improve customer service and efficiency through centralisation
- To provide a stable business infrastructure for non-stop operation
- To meet changing business demands

## Solutions

- Cisco's IPCC Solution
- HP Services

## Results

- Shorter waiting time, enhancing customer satisfaction
- Reduced workload through call centralisation
- Lower telecommunication cost among different centres
- Maximises work efficiency