

Outsourcing,
the new “IN”
thing to do



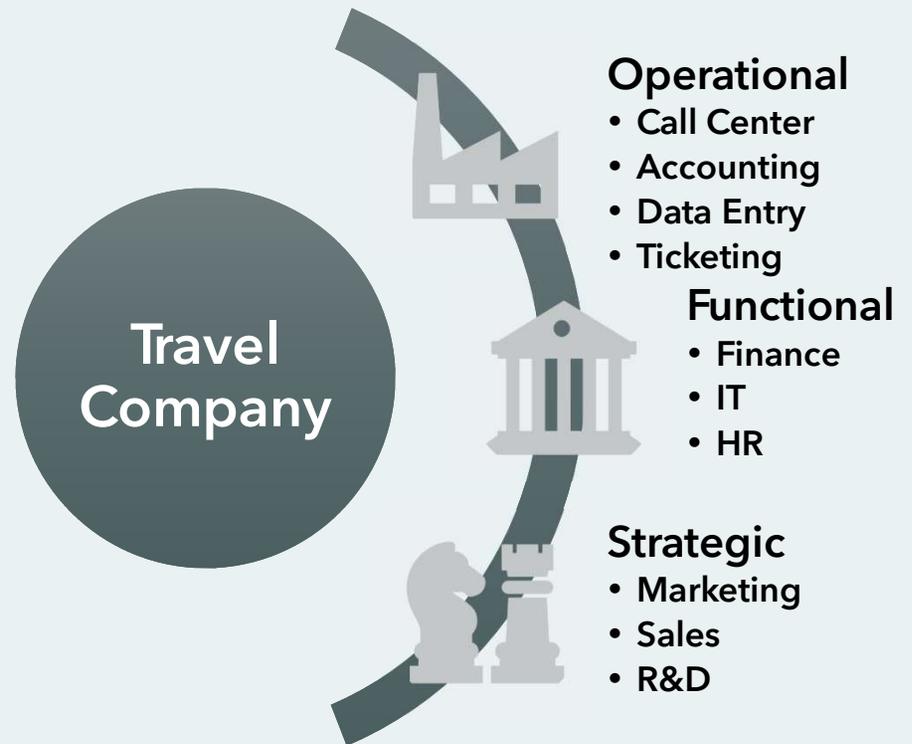
Agenda

- Background on BPOs
- 5 tips when selecting a BPO
- Additional considerations
- Q&A

BPO

Business **P**rocess **O**utourcing

Where a consultancy firm actually does work



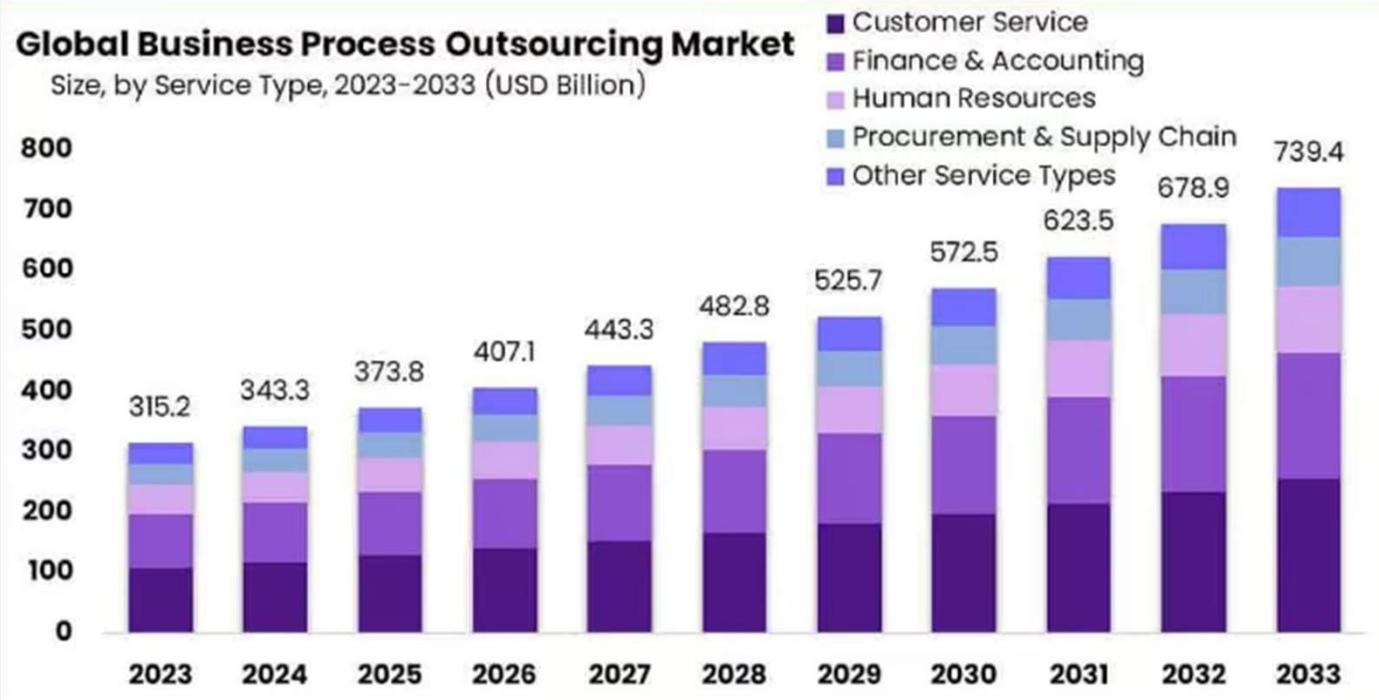
BPO Industry

Market Size

The global Business Process Outsourcing (BPO) **Market is worth \$280 - \$315 Billion** in 2023 growing at a **CAGR of 8.9% to 9.6%**. North America captures 38% of the total market share.

Annually an estimated 300,000 jobs are outsourced from the US.

[Source](#)
[Source #2](#)



BPO Industry – Why use?



Cost Reduction: Savings of 15% - 50% for total cost of ownership



Focus on Core Competencies: Free up internal resources and focus on areas that accelerate revenue growth



Access to Expertise: BPOs may have specialized skills and technologies not available in-house



Access to Talent: Staffing constraints post Covid are critical



24/7 Operations: Enables continuous operational support

BPO Industry meets Travel

Market Players



Large Market

Extremely large operation often with tens of thousands of employees or more. Multi-region, multi-industry, and able to process massive volumes.
USP: Robust operations, low-cost leaders,



Mid-Market

Largely focus on individual staffing solutions or contractors for clients. For some think Uber for BPO's.
USP: Designed for the SME marketplace



After Hours Specific:

Service bureau solutions for large number of companies across multi-GDS.
USP: Transactional pricing model

Services Provided

TRAVEL AGENT SERVICES

Day Hours

After Hours

Holidays

Chat, Email, SMS, and/or Phone.
Travelport, Sabre, Amadeus,

TRAVEL AGENCY SUPPORT

Queues

GDS, QC Rejects, Schedule Changes

Virtual Travel Assistant (VTA)

VIP, Concierge, Leisure, & Agent support

Ticketing

Rates, Ticketing, Exchanges, Voids, Refunds, MCOs

Air Desk

Quote, sell, fulfill, support air sales

Online Booking

Ticketing, Exchanges, Voids, Refunds, Schedule Changes, PNR Rejects

Training Services

Travelport, Sabre, Amadeus

ACCOUNTING

ARC / BSP Processing

Commission Tracking

Credit Card Reconciliation

Report Data Editing

General Accounting Services

General Ledger

Accounts Payable

Data Entry

PROFESSIONAL SUPPORT

IT & Network Support

Security Services

Data Management

Marketing Support

Software & Application

Virtualization & Cloud Computing

Consulting Services

HR Administration support



5 tips

when selecting a BPO

1

Recruitment, Training, Design

- Job descriptions and experience
- Employees vs Contractors
- Dedicated vs Designated
- Interview FTE's?



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Attrition Rates

Industry average of 40% to 60% per year.
Best in class at 20%.

"Attrition costs companies as much as \$10,000 to \$20,000 per contact center agent."
- McKinsey



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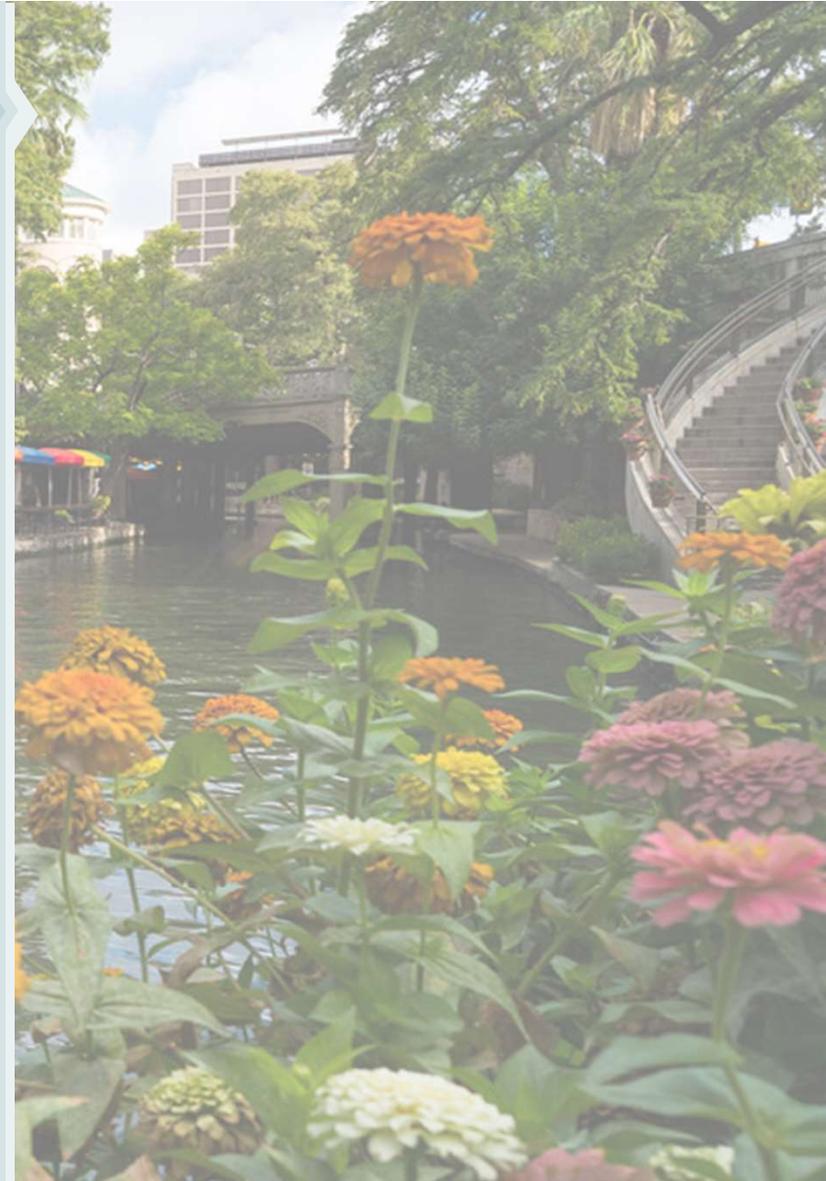
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Pricing Models

- Per FTE
- Time unit
- Consumable
- Program



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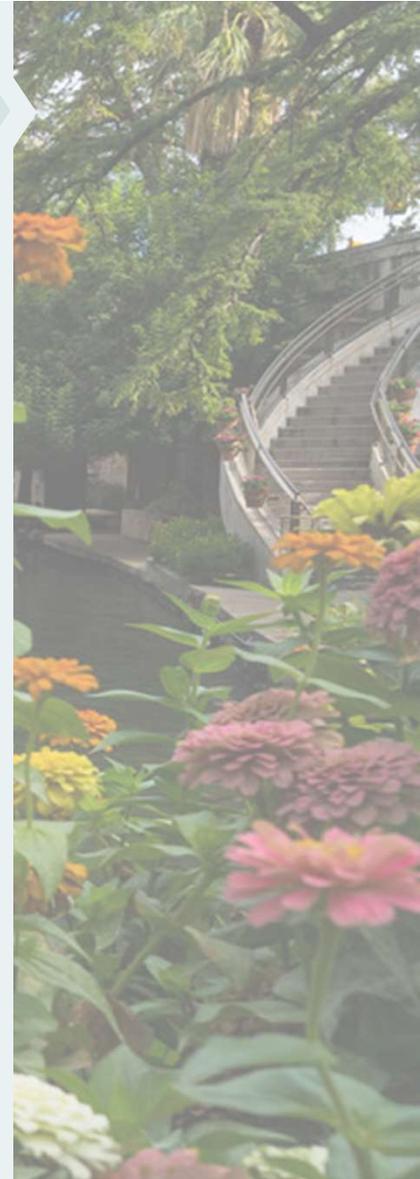
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Data Management

Client requirements for data management extend to BPO's.

PCI and GDPR compliance must be vetted.

Use of third-party standard assessments, e.g. ISO.



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Culture

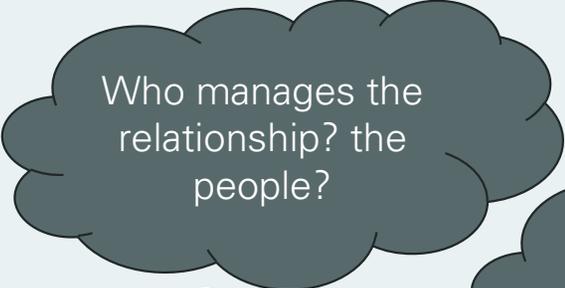
Does this BPO's culture integrate well with your own? with your client's?

How will change management be communicated internally?

To what degree will management invest their own time to see success occur?

Additional considerations





Who manages the relationship? the people?



Where does the data reside?

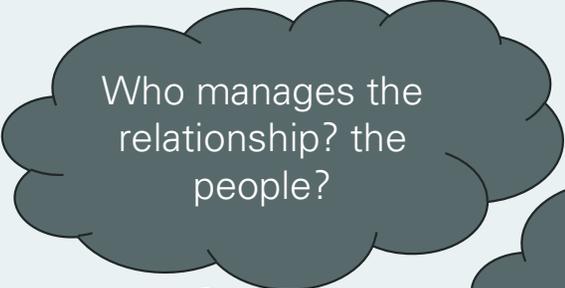


Are there differences in PTO & time off between my TMC and the BPO?



Who pays the Debit Memos?

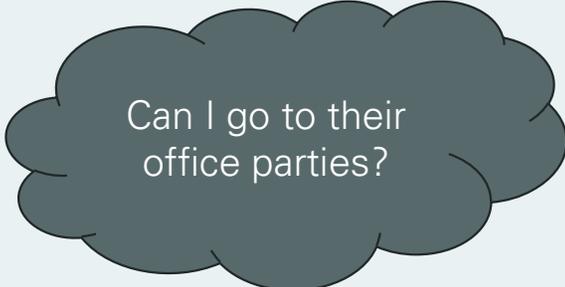




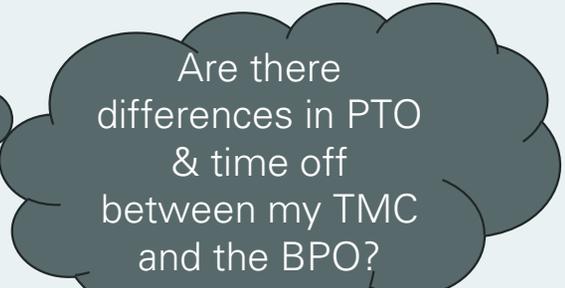
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Where does the data reside?



Can I go to their office parties?



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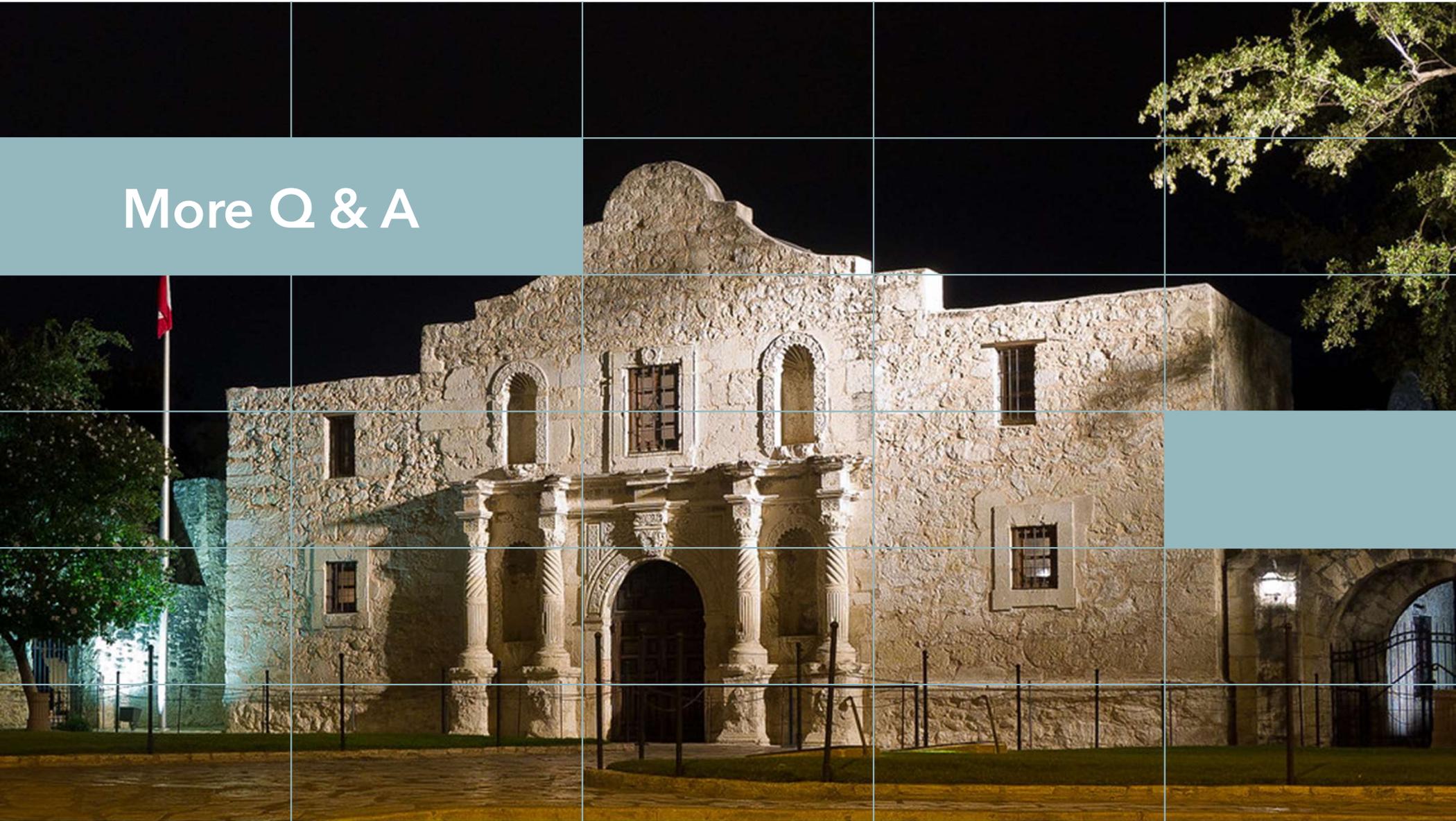
Who pays the Debit Memos?



Do they drink beer? I like beer.



More Q & A



Thank
you

Contact information