## ProfitShoring™

Preserving your profits in the age of offshoring



#### There's a New Sheriff in Town

Since the offshoring revolution began in the early 90's, India has been the undisputed king of offshoring. That all changed in 2010, when the Philippines overtook India as the global leader in offshoring.

During the past twenty years, more than one million jobs have moved to India and the Philippines. The trend continues today with over 2,000 jobs moving to the Philippines every week.

#### Which "Shore" is Right for your Clients?

The terms "onshore", "offshore", "nearshore", and "homeshore" have all become commonplace – even outside the outsourcing industry. Many clients (and their outsourcing partners) can't decide on a "shore" and just tread water hoping someone will throw them a line.

So which "shore" is right for your clients? The "shore" that maintains your customer base and revenue stream: the  $ProfitShore^{TM}$ .



### **How Will Offshoring Affect You?**

Offshoring has always been an all-or-nothing proposition for outsourcers. To compete, you've had to go all-in and open an offshore facility. If you haven't been willing or able to make that commitment, the following examples may sound all too familiar...

#### **Rejected Deals**

### Have you walked away from a deal because you can't compete on price?

Offshore call centers offer pricing models that are 50-70% below their US counterparts.

Their costs are so low they're even taking most of the short-term project work. If you're competing on price with an offshore provider, you've probably already lost that deal.

Some domestic providers feel that if they "qualify them out early" or otherwise choose to walk away, they didn't really lose the deal.

## My Contract Ends Next Month So...

#### Have you lost any clients yet?

Contract negotiations strike fear into even the most seasoned Account Manager. Why? Because not only do you have to contend with other domestic providers, you also know offshoring is a viable alternative, and in today's business climate, everyone is seeking a bigger bang for their outsourcing buck.

Simply maintaining your current customer base gets harder every day.

#### Under the radar

#### Is your customer base at risk?

Some US firms cater to smaller clients and believe they're somehow insulated from offshoring. That theory worked a few years ago. But size – either large or small – offers little protection in today's marketplace.

Many offshoring companies are focused specifically on the 10-50-seat market and are having great success.

### Lower my costs... or else!

#### Have you sacrificed margin to keep a customer?

Today's economy has forced many clients to revisit their outsourcing contracts in an effort to cut costs. In most cases, their outsourcer has done everything they can to reduce costs – including what they hope to be a temporary margin reduction.

If you've lowered your price as far as you can, and it's still not enough, what options do you have?

# ProfitShoring<sup>TM</sup> The Answer to Offshore Competition

Since all domestic outsourcers – regardless of size – are at risk of losing business to offshore competition, those same domestic outsourcers can win through ProfitShoring™. Think of ProfitShoring<sup>™</sup> as a lifeline for you and for your customers.

ProfitShoring™ with Vector BPO provides several options to help American outsourcers compete – and win big – against offshore competition.

#### Referral

Everyone has walked away from a deal. Sometimes, the pricing requirement is too low and it's just not worth it. Or perhaps it's a short-term project that would cost too much to get started.

Referring a prospective or existing client to Vector BPO establishes a relationship of trust and partnership and at the same time, takes advantage of ProfitShoring™ revenue.

Vector BPO offers a lucrative commission structure designed to make you more money than if you were doing the work yourself.

#### **Subcontract**

You handle various call types for your client – from the very simple to the complex. Now you've been asked to lower your price across the board.

Subcontracting the Tier I calls to Vector BPO keeps you in control of the customer and of the contract, but lowers your cost basis on all calls. The markup is up to you.

Now, instead of sacrificing margin, you give the client what they want, but maintain - or even increase your margins.

ProfitShoring™ with Vector BPO offers an ironclad non-compete and is the safest and most cost effective method of making more money.

### **Co-Manage**

If your client is open to offshoring, but isn't comfortable subcontracting, co-managing the relationship is the perfect alternative.

Vector BPO will contract separately with the client to handle the appropriate calls while you continue handling the more complex calls and escalations.

The best part is that we pay top commission on every dollar we collect. Most ProfitShoring™ partners make more money from our commission than they did by handling the calls themselves.

Our ProfitShoring™ non-compete agreement protects your relationship and revenue stream.

#### **About Vector BPO:**

Vector BPO is an American owned and managed full-service Contact Center Service Provider operating in Cebu, Philippines. Our management team is knowledgeable in world-class contact center operations and knows first hand the vital role they play in our clients' operations.

With more than six decades of combined experience in contact center services, the Vector BPO management team can be the dedicated partner you need to win the offshore battle.

For more information or to start ProfitShoring™ with Vector BPO, please contact *Tom Milligan*:

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