

Bulletin

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Jasja van Veen:

Thumbs up for telemarketing outsourcing

Polish workers in the Netherlands

Face to face with Dirk Aarts
the new Managing Director of Eunite

Dimar

Thumbs up for telemarketing outsourcing

The decision to take his business out of Warsaw and establish himself in the city of Łódź has reaped rewards for Jasja van Veen, owner of DIMAR. On top of that, at the end of last year, his company was rewarded with the 'Skrzydła Biznesu', a prestigious prize for the SME sector, awarded by the Ministry of Economy.

Van Veen could not be happier with the award, especially as he did not make any efforts himself to win the prize. "It was not like with most competitions, which are won by the sponsors, or by those candidates that send in the most application forms. Nothing like that at all. The organisation used financial data from the National Court Register (KRS). Therefore, being rewarded with this prize means a lot to us."

Has the prize been useful for your company?

"The simple fact that I am sitting here doing an interview is a very good example of the publicity that the prize has generated. That is a very positive aspect of it. I have also received very positive feedback from our most important clients. I cannot emphasise enough how happy I am with the prize. As a relatively small company, we are very proud to have been judged by Dun & Bradstreet as the best SME company in the Łódź area."

What can you tell us about Dimar?

Dimar was founded eleven years ago. It should not surprise you that the name is an abbreviation for 'direct-marketing'. The previous owner of the company ran a large BTL marketing office in the Czech Republic. At the end of the 1990s he started activities in Slovakia and Poland, but the branch in Poland was not running well. In 2001 I came in and started to focus on telemarketing activities instead of offering a full range of BTL services. We started with 25 operator positions and our first client was Citibank. Initially we needed financial support from the owner in the Czech Republic, but after just six months we could finance ourselves independently, and at a certain moment I gradually bought the other owner out."

After eight years in Warsaw, you decided to move your company to Łódź. Why?

"I decided to move to our current location because a customer, Cardif, asked me to. At the same time I moved my own call centre from Dimar to this city. Cardif,

the insurance unit of BP Paribas Group, had an internal telesales centre, selling insurance to their banking clients. I won a tender to set up such a centre for them on a much larger scale, with 100 positions, but outside Warsaw. Before we relocated to Łódź I visited many cities in Poland. I initially preferred a location closer to Warsaw, but we decided on Łódź as it is the third city in Poland and the largest agglomeration close to Warsaw. It also took a long time to find the right place for a telemarketing centre in the city of Łódź itself. I think I must have visited about forty locations. Finally we found a former wool weavery, a very authentic place, where we are located. We opened up the hidden wooden ceiling and uncovered the original brick walls. From the outside it looks like an old building, but clients and employees are very surprised about the atmosphere when they enter, and I can honestly say that this is the most beautiful call centre site in Poland."

Was it difficult to find telemarketers in Warsaw?

This was definitely an issue before the financial crisis. At our location in Warsaw I had new staff every two months. There was simply too much competition in our line of business. There were a lot of other telemarketers in our area of Domaniewska Street, and not only in the same street, but even in the same building. The staff from all those call centres were waiting at the same tram or bus stop. For telemarketers this was an ideal situation. If you made a mistake, you could simply move to the next call centre. For that reason there were a lot of employees simply cruising from one call centre to the next. Nothing helped, when I increased wages to retain good staff, the neighbouring companies noticed that and did the same."

Is there a different attitude in Łódź?

"Much different. First of all there are not many outsource call centres located here. Another advantage of Łódź is that there are a lot of students in this city. We have formed a group of loyal employees who have been with us over 18 months. In other countries call centres are located far away from the capital, but Poland is not typical. Relatively close to Warsaw you can easily find and keep good staff." ▶

"My staff are specialised in insurance. When we have a new product, our agents sit down with the insurance conditions and easily pick out the elements that are important to make the sale."





Can you tell us more about Łódź and the type of employees you can find there?

"The city of Łódź used to be the centre of the textile industry in central Europe. Until ten or fifteen years ago, there were large factories with seamsters making cloth for brands such as Boss and Diesel. At a certain moment, production became too expensive, and nowadays the whole industry has collapsed, leading to widespread unemployment in the city. There are good work ethics and labour is very cheap. Especially compared with wages in Warsaw."

What kind of incentives do the local authorities offer to attract new companies?

"There are a few large companies located here, such as Dell, Infosys and Bosch-Siemens. The municipality is very flexible and willing to help those companies. To attract Fujitsu, they built an extra bus station for their employees, and for Bosch-Siemens which was suffering with language issues, they set up a special technical study combining engineering with German language for five years at the local university. When we finished rebuilding the call centre for Cardiff, the mayor opened our office. There is an attitude of: 'We need to be present when new workplaces are being created.'"

Łódź also has an economic zone, how does that work out?

"Economic zones, like the one in Łódź, offer a tax exemption until 2020. A year ago, Poland changed the rules to make it easier for other companies to qualify for these zones, and you no longer have to be physically located in these areas."

Why aren't you making use of the tax exemptions that come with the economic zones?

"First of all, we had already started our operation in the city before the rules were changed. And secondly, it is not that easy to apply for those tax exemptions. You have to commit to a certain number of employees for a certain period. For

instance, Philips sold their production location here and they had to pay back some of the grants they received from the city. My situation is different because I work with students. If I want to qualify under the rules, I have to employ over 1500 people full time. That is sometimes difficult in my line of work, because there are periods when I have fewer projects."

What other benefits are there for a company located in this area?

"Being located in Łódź, you simply are a bigger fish in a smaller pond. You are being better recognised and appreciated. For instance, in Warsaw, an agent supervisor would ask for a salary increase every two months. In this area, there is a different mentality. My employees simply do their jobs, working hard without any trouble. We recently celebrated Christmas together and had presents for one another. They like that very much, and these small things inspire my staff to work extra hard. They are eager to work for the company, even when I ask them to work on a Saturday. In Warsaw it was always an issue to find employees willing to come in and work on the weekend."

What can you tell about your activities for Cardiff?

"Several years ago, the insurance market in Poland was still very traditional, with agents visiting clients at home. Since then, sales campaigns have become more based on the use of direct marketing. Good examples are the TV insurance campaigns by Link4 or Liberty Direct. From start to finish, insurance sales are made by their telemarketing agents. Cardiff offers insurance products that they cross-sell to customers of several banks, such as Citibank, GE Money Bank, BPH and so on. Those partners offer their databases and they receive a percentage of the profits. What is new about this type of selling is that our agents go through the insurance policy with the client, over the telephone from the beginning to the end. The sale is made in one location, with a lot of checks and balances. All conversations are recorded and thirty percent of them are monitored. The advantage for the client is that the costs of such insurance are lower, and there is no need to leave home."

And what are the results?

"We have double response rates. Out of a client base of 10,000 people, we sell to 15 to 20 percent. Compared to a country like the Netherlands, where this is about 3 percent, we are doing very well. In Poland, a sales pitch takes about 15 minutes. This might sound quite long, but we need this time to communicate all the conditions. You have to remember that no paper is used any more. All the necessary information is explained to the client by phone. Therefore, we don't start our conversations right away. We first introduce ourselves as representatives from the partner bank. We ask the people their names and the date of their birth, and only after this is verified do we continue with our conversation. When Cardif did their own telemarketing, they sold 5000 insurance policies over two years. Since we started their call centre in Łódź, we have been selling over 5000 in a single month. Initially Cardif thought that it would be a nice side business because of the high margins, but it has exploded. Selling insurance through telemarketing is now becoming one of their cash cows."

What is the key to this success?

"It is a mix of several elements. It is a combination of the database from the banks, combined with the proven sales and telemarketing techniques that I brought in. Our location in Łódź is another reason. Staff rotation is no longer a problem and I can focus on the other part of my business: attracting clients. Since there isn't a lot of circulation, many of my staff are specialised in insurance. When we have a new product, our agents sit down with the insurance conditions and easily pick out the elements that are important to make the sale. This focus helps us achieve better results."

How do you teach your people to make the final sale?

"My staff is trained by three specialised trainers. And we have our team of experienced people who listen back to the conversations and help our agents

to recognise sales signals. The conversations are no different to those in the countries of Western Europe. However, what does differ is the price of the product. We mostly sell products on a monthly rate, which is an adjustment we have made for the Polish market. If we sell insurance for 6 euro per month, we get a completely different response than if we sell it for 72 Euros per year. We are also selective with what we sell. Insurance for 10 euro is still possible, but I wouldn't like to sell an insurance product that costs more than 50 Euros per month."

How do you get databases with information about clients?

"In telemarketing, more than 50% of the results come from the quality of your database. If we have to come up with a database ourselves then our result is good, but it isn't easy to make sales. However, if we carry out a cross-selling campaign, like with the insurance products for Cardif, where the customer has a relationship with the bank, then our results are very good, between 15 to 20%."

Is there any resistance to telemarketing agents in Poland?

"Poland is certainly not an underdeveloped country when it comes to direct marketing. In the beginning of telemarketing we sold books or cd's to companies. That is all history. People have grown used to telemarketing, and therefore, also in Poland, the first 30 seconds of the conversation are 'make or break'. You have to come up with a strong sales angle or the person on the other end of the line will hang up. You have to be very clear about your offer and the advantages it offers the client. At the same time, more and more companies in Poland are relying on telemarketing as a part of their sales plans. Many companies don't want to set up their own telemarketing department, because of the costs, but they come to us. There is also a trend to make telemarketing responsible for the complete sales channel. In a country with long distances, the telephone is a very good method of staying in contact with your customers. For this reason, I foresee a bright future for the telemarketing industry in Poland." overcome, but it certainly is not very helpful to us." ★

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