



Location, location, location:

Selecting the best outsourcing destination for your business



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Introduction



Delivering a seamless and satisfying omnichannel customer experience that meets consumers' high expectations has never been more important than it is today. But between the ongoing demand for voice-based customer support and the need for diverse communications, language, and technical skills, finding qualified, talented agents can be a challenge.

Many companies turn to an outsourcing partner to find workers with the specialized skills they want, and to gain valuable existing industry expertise. The right fit can offer critical digital experiences like chatbots, AI-enhanced analytics and omnichannel capabilities, along with years of extensive customer service experience.

Besides partnering with a trusted vendor, it's vital to determine which outsourcing destination is right for your business and brand. From locations right here in the U.S., to nearshore and offshore options around the world, this e-book highlights some of the top locales for consideration, and the factors to keep in mind as you make your decision.

Asia



The Great Wall of China



Malate Church, Manila

The Philippines

The Philippines has become one of the top global hubs for outsourcing, and for good reason.

Many studies have rated the country first in client satisfaction, in terms of both cost and performance. The World Bank also estimates that the country's revenues from the Business Process Outsourcing (BPO) industry could grow to more than \$50 billion and provide

2.6 million more jobs by 2020. A young population, a growing economy and a large pool of English speakers are some of the key factors companies looking to outsource should be excited about. In fact, the Philippines is one of the world's largest English-speaking nations with a 95% literacy rate. However, it's important to understand how the political, cultural and economic landscape

of the Philippines is evolving before setting up shop in this Southeast Asian archipelago.

For those looking at the Philippines as a potential offshore outsourcing destination, here are some of the key things to consider from the experts with boots on the ground.



Click [here](#) to take a virtual site tour of TELUS International's delivery centers in the Philippines

The Philippines political landscape

The political landscape in both the United States and the Philippines have led to some uncertainty about the future of outsourcing in the country.

“Gone are the days of strictly evaluating a location based on its cost,” advises Scott Wilson, consultant and co-author of *The Black Book of Outsourcing*. “Today, companies looking to outsource consider the locations’ environmental, political, social and economic health all part of a sound outsourcing strategy.”

U.S. political powers have indicated the possibility of taxing companies that outsource offshore, while many are concerned with the stability of the President’s leadership in the Philippines.

But it’s important to separate real policy from political rhetoric in both countries. Many experts agree that there are little to no risks associated with Filipino politics, including the stability of leadership.



Manila

Language and culture in the Philippines

Language and culture will continue to provide a huge benefit to companies that choose to outsource to the Philippines, thanks to an emphasis on teaching English in schools, combined with the service-oriented mentality of the local people. “Our satisfaction scores show that clients consistently feel more comfortable communicating with Filipino staffed call centers and help desks, compared to other outsourced voice service locations,” says Wilson.

Another advantage of locating in the Philippines is for call centers that have requirements for other Asian languages such as Mandarin, Japanese or Cantonese. The geographical position of the country means a strong pool of candidates that are able to meet a breadth of language requirements.

“...Clients consistently feel more comfortable communicating with Filipino staffed call centers and help desks, compared to other outsourced voice service locations.”

Scott Wilson,
Consultant & Author

Over 500 years of Spanish and American influence on the Philippines, coupled with a population polite in nature, results in phenomenal service results, even if there is an occasional



Aliwan Festival

“communication gap between customers and Filipino agents,” according to Corey Kotlarz, president of Outsource Consultants. Still, even at a distance of more than 8,000 miles and a time zone that is often the polar opposite of Western businesses, Filipinos are unwavering in their

professional and positive attitude and delivery, says Kotlarz.

Given such a broad geographic separation, there are some clear cultural differences to be aware of. For one, Filipino workers may occasionally need to be prodded to voice their

opinions. Experts describe Filipinos as naturally quiet and respectful, meaning they may need to be encouraged to speak openly about their thoughts and opinions to support a collaborative workplace.

Philippines outsourcing industry factors to consider

There are several major trends that will affect Business Process Outsourcing within the Philippines that companies should carefully assess.

One of which is a steady rise in salaries for call center agents. With the immense success of companies who have outsourced in the Philippines, the demand for talented professionals is growing rapidly. As a result, salaries are also increasing.

Experts agree that salaries in the Philippines will continue to be a source of considerable value for companies. But, with higher salaries comes an increased local cost of living and more traffic and congestion in urban areas where outsourcing centers are traditionally located.

With these factors in mind, Kotlarz says a growing number of companies are beginning to consider more suburban or rural locations for their BPO operations. Though there are trade-offs in either case. "Employee attrition rates are increasing in the major metropolitan cities where heavy outsourcing is done," Kotlarz explains, but more rural populations may also be less educated, with looser cultural ties to North American customers.



Manila

The Philippines continues to rank highly in many important categories, but it's skilled, flexible and educated workforce that makes it a consistently attractive BPO destination. On top of that, a large pool of English speakers, close cultural proximity to western business practices, and a service-oriented culture will no doubt continue to produce top-notch (and cost-effective) service results for organizations that outsource in the Philippines.



Philippines fast facts:

- Largest market for English language contact center services outside of the U.S.
- Close cultural affinity to the West
- Large, highly educated workforce
- Named a top growth performer in East Asia by The World Bank
- Competitive labor rates
- Stable communications infrastructure



Mumbai

India

English proficiency, a surplus of IT workers and a number of geopolitical factors made India a premier outsourcing destination starting in the 1990s.

But a lot has changed since then. An increasingly globalized economy boosted outsourcing's popularity and led to its geographic expansion to other locations, which resulted in a downturn

in the traditional voice-based space in India.

Despite this shift, India boasts several distinct advantages in the outsourcing market, including a growing middle class, peace and political stability, and most notably, its unparalleled young, tech-minded population stemming from one of the best networks of high-tech universities in the world. These factors

helped India build a juggernaut of IT and back-office outsourcing services that remains steadfast today.

If you haven't considered India as a potential outsourcing destination, here's why it may be time to reconsider.



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Large, highly trained talent pool

India's talent pool is already among the largest globally, and is still poised for significant growth. According to a McKinsey report, India's labor force is expected to grow by 138 million people by 2030, or about 30%.

While the country was originally known as a call center destination - and it still handles its fair share of CX outsourcing - India's strong suit is IT outsourcing, accounting for about two-thirds of the global market for these services. "In terms of its knowledge base, and from a technical standpoint, India is number one. It has the largest population for those skills," says King White, CEO of global location advisory Site Selection Group.

According to White, other trending areas in India's outsourcing industry include back-office processing in healthcare and financial services, as well as Knowledge Process Outsourcing (KPO) for legal and other highly-skilled specialized work. India is still cost-effective and convenient, White adds.

"In terms of its knowledge base and from a technical standpoint, India is number one."

King White, CEO
Site Selection Group



The Taj Mahal, Agra

In addition to affordability, the country's talent pool is known for its high quality of work. "Surveys have found that the IT work performed by outsourced employees in India is better than work sent to other countries," says CX expert and futurist Blake Morgan.

Time zone considerations also boost India's attractiveness. India is 5.5 hours ahead of GMT and 10.5 hours ahead of EST, which means companies can employ contact center agents around the clock and never miss a beat when their business closes for the day. "Their

daytime is our nighttime, and they can cover support, development or other tasks during all hours," says Shep Hyken, a customer service expert and author.

Government programs building India's tech sector

Outsourcing has been an integral part of India's economic development for decades. "Because outsourcing is a major source of foreign income for India's economy, the country works hard to ensure outsourcing firms are using the newest technology and infrastructure and regularly train their employees," says Morgan.

The Indian government continues to actively foster an environment that supports the outsourcing industry's continued growth across the country, including providing tax exemptions and duty-free exports to businesses. Its efforts also include a program called Digital India that is entirely devoted to providing IT infrastructure and resources to all citizens, with the goal of transforming the country into a knowledge economy.

Though oftentimes focused around large urban centers, outsourcing to India also benefits underserved rural communities, as well as smaller cities such as Noida, near Delhi, says White. "The government has put all this money into setting up large-scale rural call centers. It's a testament to their vision of trying to help people, not just cluster them together in Mumbai and Punnai," White says.



A growing entrepreneurial culture

The Indian entrepreneurial spirit is growing with the establishment of government programs and organizations like 10,000 Startups, which has the goal of creating 10,000 new businesses in the city by 2024.

In fact, the World Economic Forum named Bengaluru (Bangalore) the world's most dynamic city in 2017, based on factors including innovation and technology. Moreover, Walmart's \$16-billion acquisition of Flipkart, an Indian e-commerce platform located there, represents an exciting milestone for the city's start-up scene.

“India also has a stable government, which lessens the risk of unrest disrupting international work.”

Blake Morgan, CX Expert

Language, culture and stability

Home to an incredibly diverse and vibrant spiritual culture, India has long integrated influences from around the world. From tropical jungles to some of the highest mountains in the world, its geographic diversity mirrors its economic and political diversity. Well-known for having the world's



Shimla, Himachal Pradesh

largest democracy, Morgan says “India also has a stable government, which lessens the risk of unrest disrupting international work.”

With digital transformation gaining momentum as a top business priority for companies around the world, there will be a sustained and growing need for IT talent to build, deliver and support the coveted next-gen services and solutions. Through decades of investment in its people and infrastructure, India is well-positioned to meet and exceed these needs today and well into the future, making the country a great outsourcing location.



India fast facts:

- Second-largest English-speaking nation after the U.S.
- Cost-effective and quality contact center and IT outsourcing experience extending back to the 1990s
- Outsourcing sector employs nearly 3.5 million professionals in the country (Nasscom)
- Skilled, tech-savvy and well-educated workforce
- Government policies benefiting outsourcing industry including tax exemptions & duty-free exports



Shanghai

China

It's difficult to overstate how staggeringly large China's consumer market is.

According to a 2019 article from TechCrunch, China's top e-commerce platform Alibaba has nearly 700 million monthly mobile users. More than 550 million people actively use Alibaba's retail marketplaces Tmall and Taobao, and Forbes reports that among those users there are at least 100,000 of

them who spend \$45,000 a year on the sites.

Depending on who you ask, China's middle-class population is between 109 million and 400 million people. "China has created a large, relatively affluent group of citizens. Its top leaders proudly declared late last year that the country now had the world's largest 'middle-income group,' bigger than the entire population of the United States,"

writes the South China Morning Post. This growth has created consumer demand for businesses around the world, and many of them are looking to outsource certain components of their operations to China, including customer experience support.

Outsourcing in China carries a number of benefits that U.S. companies increasingly find attractive. It also retains one of the original benefits of

outsourcing: lower costs. "Of all the remaining outsourcing markets, China may still be one of those that's even more cost-competitive than India," says King White, CEO of Site Selection Group, a global location advisor. Here's a look at some of the other benefits of outsourcing, and doing business in China.

The growth of the global tech sector in China

Demand for all things tech in China is growing among consumers, government and private industry. Tech spending in the country has outpaced the rest of the economy in recent years, driven by large-scale government investments in innovation. Firms are increasingly looking to China for help with more technical functions like IT and app, software and hardware development. The China Economic Review last year noted that the high-tech services sector grew 10 times faster than the rate of tech-related manufacturing.

According to Forrester's report, China Tech Market Outlook, 2019 To 2020, technology spending in the country will top \$256 billion in 2019, despite some geopolitical tensions. The report forecasts that business and government purchases of technology goods and services will grow by 4% in 2019 and 7% in 2020 in U.S. dollar terms.

International trade and commerce between China and big global partners across the globe has boomed in recent years as well, and the Chinese government is doing all it can to maintain that trend's momentum. "Officials are pushing banks to lend more and allowing indebted local governments to spend money on big projects," wrote the New York Times in 2018. "They have [also] moved to shore up the value of the country's currency."



China as a center for innovation

In recent years, China has evolved from its role primarily as a manufacturing center to a center for innovation. China now ranks 17th in the world on the Global Innovation Index: Energizing the World with Innovation, which ranks innovation clusters in 126 countries. By comparison, the U.S. ranks sixth. The report called China's advancement in the rankings over the past few years "spectacular."

China's innovation capabilities are evident in several key areas. According to the report, the Asian country has made massive strides in research and development (R&D), high-tech imports and the quality of its publications. "In absolute values, and in areas such as R&D expenditures and the number of researchers, patents, and publications, China is now first or second in the world, with volumes that overshadow most high-income economies," it noted.

And within China, there are a number of innovation hot spots that stand out as global players. In 2017, 15 cities including Chengdu and Zhengzhou were re-categorized as "new tier one" cities for a variety of factors, such as economic growth and livability.



Growth of start-ups and tech talent

While there are a number of large cities in China, Chengdu is an important destination for talented technical graduates and other young professionals looking for high-tech opportunities.

Talent is attracted to the location because of how it compares to the other big name cities like Shanghai or Beijing, says Steve Hoffman, CEO of Founders Space, a venture accelerator based in Silicon Valley that helped incubate blockbuster companies like Instagram, Instacart and Etsy.

“Everyone talks about the Chengdu lifestyle, more affordable housing, and a better working environment. This is a big advantage for overseas companies moving to Chengdu,” he said. And it’s one of many reasons Founders Space opened a location in Chengdu in 2017.

The charms of Chengdu

Chengdu continues to grow as a hub for high-tech businesses and trade, says Hoffman. “The start-up scene is really taking off, particularly around gaming, media and tech,” he notes. Chengdu’s outsourcing industry has also progressed by leaps and bounds.

In recognition, the Chinese government has poured resources into the city,



Anshun Bridge, Chengdu

launching major projects like the “new industrial” Chengdu Tianfu New Area. The area comprises a number of economic development zones, such as the Chengdu Hi-Tech Industrial Development Zone. “The scope is breathtaking. There’s nothing like it in the United States,” Hoffman says.

For those looking at customer experience outsourcing destinations in China, Chengdu’s charm transcends its growth numbers. The city is politically and culturally stable — important factors that reduce risk when considering an outsourcing destination. “Chengdu also has an open, fun-loving culture. The people are so kind and generous,” says Hoffman. “That’s something I can relate to, as a Californian.”



Chengdu, China fast facts:

- Second largest city in the western half of China with a population of over 14 million
- Designated by the State Council as a tech, trade, financial, transportation and communications hub
- Development policies focused on drawing foreign start-ups and entrepreneurs
- Impressive labor pool of young, skilled workers
- High number of vocational school graduates and candidates with BPO experience
- Well known for gastronomy and lifestyle with mild, stable weather

Europe



Dublin, Ireland



Sofia

Bulgaria

Companies looking to invest in offshore customer care would be remiss not to consider Europe as an option.

Global management consulting firm AT Kearney outlined some of the benefits of Europe as an offshore destination in its 2017 Global Services Location Index report titled *The Widening Impact of Automation*, which examines both the effects of automation on outsourced

service jobs and the shift toward a higher-skilled labor market.

The company ranked 55 countries worldwide based on criteria like financial attractiveness, people skills, and availability and business environment. Bulgaria ranked in the top 20 worldwide for outsourcing, and is a top three choice in Europe. With its combination of multilingual

skills, a highly educated and motivated workforce and competitive pricing, Bulgaria is an increasingly attractive choice for outsourcing customer service and other functions.



Click [here](#) to take a virtual site tour of TELUS International's delivery centers in Europe

The evolving outsourcing landscape

In the past, outsourced contact center vendors were simply evaluated on their low-cost ability to provide basic customer service, but now they are evaluated on their strategic ability to deliver on the customer journey, while adding value to the overall customer experience.

Contact center providers today must fully understand the processes of their clients and be able to assess and improve them. This trend will continue to shape the industry and be a driving factor in the evolution of BPO and call center services in the years to come. As more BPOs develop these kinds of high-value services, Bulgaria's reputation as a preferred outsourcing partner will only continue to grow.

Business benefits

Bulgaria's ability to meet the evolving demands of the growing outsourcing and IT sectors can be credited to a number of unique factors exclusive to the region. With an abundance of major universities and cultural institutions, Bulgaria is home to highly-educated talent. In fact, the literacy rate exceeds 98% with approximately 80% of the labor force holding post-secondary degrees.

In addition to a well-educated and



St. Alexander Nevsky Cathedral, Sofia

highly-skilled labor force, Bulgaria has some of the lowest operational costs in the EU, making it an attractive option to expand operations while ensuring quality service. A short flight from several European capitals, the country offers multilingual talent, economic stability and modern infrastructure including some of the fastest Internet speeds in the world.



Bulgaria fast facts:

- Maturity and robust growth of the BPO and contact center sector, with over 67,000 people employed in the industry
- Excellent language skills in all major European languages
- Highly-qualified, motivated and flexible labor force
- Large talent pool with strong aptitude for IT and traditions in the engineering industry
- Cultural proximity to the Western business world in terms of business attitude and ethics
- Geographical proximity to Central and Western Europe, and EU member states



Bucharest

Romania

With an abundance of professional, multilingual, highly-skilled labor as well as its cultural proximity to Western Europe, Romania has been climbing the ranks of preferred outsourcing hubs for European and North American companies in recent years.

Although not the lowest cost destination, Romania's very capable labor force combined, with its technical

and soft skills proficiency, makes the country very cost-competitive. Investors have even labeled Romania as an "outsourcing valley" for BPO, ITO, software development, research programs, knowledge process outsourcing operations, and shared services. Here's a look at a few more of the reasons Romania makes for such a great BPO destination.

Large multilingual talent pool

The country's sizable and multilingual labor force and student body are among the main lures for international companies looking to outsource their customer experience operations.

The labor force employed in Romania's outsourcing sector has increased from 15,000 employees recorded in 2007 to over 125,000 employees currently working in the outsourcing industry. The industry employs 1.5% of Romania's population and generates 4 billion euros in yearly revenue, according to the annual report of the Romanian Business Service Leaders' Association (ABSL).

The diverse linguistic profile also makes it especially attractive for organizations that have a global reach. Romanians are known internationally for their strong aptitude for speaking European languages, primarily English, followed by French, Italian, Spanish and German. It's estimated that one in five Romanians speak multiple languages.



IT experience

When it comes to ITO, Romania has become a flourishing technology hub. According to ABSL, 25% of employees in the outsourcing sector provide IT services with an estimated 15,000 students a year graduating from IT studies.

Additionally, more than 70% of the IT outsourcing industry is currently controlled by significant foreign investors, which gives Romania a considerable advantage when it comes to reliability of its labor market, according to the latest ANIS report on the Software and IT industry in Romania.

Indeed, when it comes to ITO, Romania is first in Europe and sixth in the world, in terms of the number of certified IT specialists. There's a pool of about 100,000 people in various IT-oriented profiles. The successful presence of global high-tech companies such as Microsoft, IBM, P&G, HP, Oracle, Wipro, S&T, Accenture, WNS, Intel, as well as Luxoft, Ubisoft and Amazon confirm Romania's ITO experience and potential.

In summary, Romania holds its position as a home to more offshore and nearshore centers than any other Southeastern Europe country thanks to its cost-quality balance, flourishing technology hub, and professional, multilingual talent.



Romania fast facts:

- Close geographical (1-2 hour flights) and cultural (business ethics) proximity to Western Europe
- Strong aptitude for multilingual skills
- Knowledgeable and experienced IT workforce
- Academic readiness to support talent pool continuity
- EU member state, reducing legal and financial concerns
- Political and economic stability
- The right price-quality ratio



River Liffey, Dublin

Ireland

With its lush green hills and valleys, Ireland has always been a fertile country for farming. But, with its central geographic location, relatively easy access to the rest of Europe, the U.S. and the Middle East, and EU status, the country has become a business growth center as well.

Over the past several decades, Ireland has transformed into a bona fide European tech hub, catering to

early-growth and established tech brands alike. The Silicon Docks neighborhood in Dublin is home to more than 7,000 tech workers from companies like Google, Facebook, Twitter and LinkedIn. Meanwhile, areas like Blackpool in Cork have helped the city become the top Irish location for successful tech start-ups like Teamwork and Xanadu. The country also hosts offices and operational centers from companies like Apple,

Airbnb, Eventbrite, Blizzard and Etsy, among others.

Ireland didn't become a tech powerhouse — nor a leading outsourcing destination — overnight. Many of the factors contributing to Ireland's appeal, like a clear, compelling tax structure, have been in place for decades now. But after a strong recovery from the 2008 recession to go with a critical mass of tech

infrastructure and start-up success, Ireland has emerged as a true global player.

For companies looking to increase competency and reduce costs in a legitimate, world-class tech environment, Dublin and Cork should be high on the list. Here are a few of the reasons why:

Young, skilled, global workforce

Dublin is ground zero for Irish start-ups, but has also attracted its share of large, multinational tech companies. Google set up shop in Dublin in the early 2000s, after a host of other Silicon Valley heavyweights put down roots in the city. “Having a cluster of tech firms makes Dublin an attractive place to work as people know that they will have a choice of companies to work for,” says Graeme McQueen, head of communications at the Dublin Chamber of Commerce.

That’s a great advantage when looking to attract top-talent interested in career advancement and opportunity, especially considering Ireland has the youngest population in the EU, with over 33% under the age of 25. Dublin’s workforce is also markedly young, with 40% of people living in the city under the age of 30, says McQueen.

This young, educated workforce offers companies skilled team members, with a breadth of language capabilities. “The fact that so many large multinationals have based themselves in Dublin over the past 20 years means the city has a skills-rich workforce,” says McQueen.



Ease of doing business

In addition to a strong economy and a highly skilled talent pool, Ireland provides many other advantages. For one, there's a post-recession abundance of office space, says McQueen. "The Irish economy has recovered well over the past decade and we're now in the great position of having a good supply of world class office space in Dublin," he says.

Low-cost airlines operating out of the U.K. and Europe also make getting in and out of Ireland a breeze. On top of that, "Dublin Airport is now one of the best-connected airports in Europe," says McQueen. "It's great to see more and more direct flights being added between Dublin and major American cities and also the likes of China and Hong Kong."

And the granddaddy of cost-saving reasons to set up shop in Dublin or Cork? Ireland enacted favorable tax legislation in the early 2000s, and a steady flow of companies have gone to Ireland since. Where the corporate tax rate in the U.S. is 35%, Ireland's is 12.5%, and the country offers particularly favorable rates for revenue tied to new intellectual property and innovation — yet another reason why Ireland is such a successful tech hub.

Brexit risks and opportunities

Ireland, and in particular Dublin and Cork, is friendly to global business.



Bank of the River Lee, Cork

Still, given its divided allegiances to the U.K. and the EU, the looming prospect of Brexit could give pause to companies otherwise eager to enter the market.

The Irish business community offers a much more reassuring perspective. "In many ways, preparing for Brexit simply requires Ireland to do the things that it would and should have been doing anyway: Improving our transport system, ensuring a steady supply of attractive and affordable accommodation and keeping the cost of living down," says McQueen.

Uncertainty around Brexit may take years to resolve. However, McQueen expects it to bring about even more opportunities for the community of innovative businesses that have increasingly chosen to call Ireland home.



Ireland fast facts:

- Only English-speaking country within the Eurozone
- Diverse, multinational workforce
- Highly educated talent pool with access to free education
- Internationally recognized tech hub
- Supportive state agencies, political stability, strong legal framework, and collaborative ecosystem

Central America



Antigua, Guatemala



National Palace, San Salvador, El Salvador

Guatemala & El Salvador

When companies and consumers hear the words “contact center outsourcing,” geographically, two places often come to mind: India and the Philippines. But with “nearshoring” becoming a more popular option for North American companies, outsourcing to Central America, specifically Guatemala and El Salvador, has been on the rise.

Business consulting firm Frost & Sullivan anticipates that by 2020, the region will experience an 8.4% compound annual growth rate and have an estimated worth of \$5.07 billion. And with the United States comprising more than 90% of the contact center service demands, much of that growth is being fueled by North American-based companies.

Why has Central America become such an appealing outsourcing destination, and what should companies expect when outsourcing there?



[Click here](#) to take a virtual site tour of TELUS International's delivery centers in Central America

Cost-cutting and cultural proximity

In recent years, Central America has become a competitive alternative to offshore locales. “Central America has been improving lately with the price-to-value ratio and cost,” says Juan Manuel González, an enterprise-communications industry manager for Latin America at Frost & Sullivan. “The pricing that these companies can offer is usually between 25 to 40% below domestic U.S. rates.”

While cost is often an entry point for outsourcing consideration, it’s not necessarily the deciding factor. Sure enough, to look at Central America solely for cost-cutting purposes is to overlook the other virtues that are driving its success.

“There is a deep affinity with the U.S. culture that you will not find in probably any other countries in the world.”

Juan Manuel González,
Enterprise-Communications Industry
Manager for Latin America, Frost & Sullivan

One of which is Central America’s close proximity to their biggest customer: the United States. The location can be very appealing to companies, especially those wanting a more hands-on outsourcing partnership. A business trip to the region doesn’t require a 15-hour flight, or the accompanying jet lag. “You

can even go and see a call center and return home in the same day,” says González.

Cultural affinity is another benefit to Central America’s location. In El Salvador, for example, locals have

a strong understanding of American culture and even use the United States dollar as their official currency. Residents of the region often enjoy the same television shows, share a similar passion for baseball and often have family in the United States. “There is a

deep affinity with the U.S. culture that you will not find in probably any other countries in the world,” says González, and that compatibility can greatly affect both relationships with their clients and the delivery of customer service.



Central Palace, Guatemala City

Potential challenges and opportunities

All that being said, cultural affinity doesn't necessarily mean English fluency — a requirement for any contact center looking to provide support to American customers. Compared to competition in India or the Philippines, González says that English proficiency levels in Central America aren't always as high.

However, the contact center boom in Central America — and the job opportunities it promises — has led to a rise in English schools. In places like Guatemala, universities have even started making English language classes a prerequisite for graduation. What's more, with a 17.6% Hispanic population in the United States, working with a contact center in Central America can be an added bonus for companies looking to outsource multilingual support.

Local governments are even helping the industry in the interest of encouraging the economic growth that outsourcing can bring to a country. "Governments are investing time and money to bring companies to their countries and help them with subsidies," says González. "[And] governments are training the agents before the call center companies hire them for the launch of new opportunities."

While government investment in the outsourcing industry is appealing to



San Salvador, El Salvador

many companies, the perception of crime in Central America can serve as a deterrent. Scott Figler, a senior consultant at Jones Lang LaSalle, a commercial real estate company, cautions however, that the media can

often paint an exaggerated picture of what's really happening in the region. "I would advise anyone looking to make a capital investment in these countries to do their homework, and not buy in so much to the caricature that the

U.S. media often makes Latin America into," Figler says. "Yes, some places are more dangerous than others, but so are many American cities. It doesn't mean something is not worth doing."

It's about the people

Focusing too much on crime will also deprive companies from what may be one of the greatest benefits of outsourcing to Central America: its people. One of the major draws of the area is not just how young and educated the workforce is, but their enthusiasm.

Workers take great pride in their jobs, and eagerly treat them as career growth opportunities. That passion is great for the relationship between company and outsourcing partner, but also between agent and the customer, often resulting in a higher-quality of service, employee engagement and retention. "You start to see a decrease in the cost of training because you're not losing people, so you don't need to start from the scratch every time an agent goes," says González.

With its close proximity to the U.S., tremendous growth opportunities and passionate workforce, Guatemala and El Salvador are appealing destinations for any company looking to outsource their customer support.

“You start to see a decrease in the cost of training because you're not losing people, so you don't need to start from the scratch every time an agent does.”

Juan Manuel González,
Enterprise-Communications Industry
Manager for Latin America, Frost & Sullivan



Antigua, Guatemala



Guatemala fast facts:

- Stable economic climate and healthy fiscal policy
- Features the largest population in the region
- Outstanding talent pool of engaged, tenured agents and digital IT experts
- Very competitive labor rates
- Easily accessible with numerous direct flights from major U.S. cities



El Salvador fast facts:

- Salvadorans are regarded as having one of the most neutral accents in all of Latin America
- Workforce is well-educated
- Strong culturally affinity to the U.S.
- Low labor costs, stabilized business climate and dollarized economy

North America



Las Vegas, Nevada



Grand Canyon, Nevada

United States: Nevada & California

There are a number of advantages of an onshore customer service delivery center, but proximity is often touted as number one. Many find the convenient location perfect to launch pilot programs and proof of concept trials, with in-person meetings much more attainable if they don't require a transatlantic flight.

Time zone is another important consideration as working with an onshore provider can result in a quicker response time; a valuable asset if an issue needs to be resolved immediately. These factors, coupled with the ability to meet onshore geographic and/or data sensitivity mandates, make it clear why locations in North America

are an appealing option. Here's a quick look at two popular America cities for outsourcing: Las Vegas, Nevada and Folsom, California.



Click [here](#) to take a virtual site tour of TELUS International's delivery centers in the United States

Las Vegas, Nevada

Las Vegas welcomes an incredible 30 million visitors every year and businesses looking to outsource in the region can capitalize on what the Las Vegas Review-Journal has called “a gold mine of talented labor.” The city’s large travel and hospitality industry means many employees are accustomed to 24-hour customer service delivery. And, with an impressive talent pool of English and Spanish speaking citizens, Las Vegas’ reputation now extends well beyond its famous strip to encompass the ever-growing Business Process Outsourcing industry.

This popular location serves as an ideal option for companies seeking customer care, technical support, sales support and back-office services. And with its low risk for natural disasters, Las Vegas offers the added assurance of business continuity and operations redundancy.

Folsom, California

Located in Sacramento County, the city of Folsom is often best known for Johnny Cash’s 1968 live album. But, thanks to its easy accessibility and impressive pool of seasoned professionals, the city has been making a name for itself in the customer experience industry.

Only 28 miles from the Sacramento International airport, Folsom is just



Rainbow Bridge, Folsom

a stone’s throw away from Silicon Valley, San Francisco and the growing Sacramento tech scene. In addition to some of the big names like Apple, Oracle, Intel and Hewlett Packer, the area is home to a diverse range of other fast-growing tech businesses in fields like agricultural, biotechnology, and manufacturing.

The talent pool of young, educated people in Folsom is growing at a rapid pace thanks to the area’s comprehensive network of public and private universities and community and technical colleges. According to the Greater Sacramento Council, there are over 380,000 students currently enrolled in 4-year university within 100 miles, and the region boasts a 36%

faster growth rate in professionals with bachelor’s degrees than the nation as a whole.



Additional onshore considerations

It's important to note that the cost of onshore delivery tends to be higher when compared to an offshore solution. That said, the benefits of U.S. based customer experience remain substantial. Las Vegas and Folsom's experienced staff, close proximity and negligible time difference make both cities exceptional outsourcing destinations.



Las Vegas fast facts:

- Nevada ranked sixth most business-friendly state by Chief Executive magazine
- Advanced technology infrastructure and inherent low risk for natural disasters
- Access to an excellent labor pool (education and skills) with strong customer service experience
- Excellent accessibility from within the U.S. and abroad



Folsom fast facts:

- Close proximity to Silicon Valley, Sacramento and San Francisco
- Tech and start-up incubator for the Bay Area
- Access to highly educated, college graduates and business professionals

Conclusion

There's lots to consider when deciding where to outsource — and quite literally a 'world' of excellent destination options. Whether you select an onshore, nearshore or offshore customer experience or IT delivery center, matching your business objectives to each location's strengths will ensure the right choice for your brand.

But, don't just take our word for it. There is no better way to assess a location than experiencing all that it has to offer in person. Get in touch with our team of customer experience and digital IT experts to schedule your site visit today!

telusinternational.com/contact

About TELUS International

TELUS International is a global customer experience and digital transformation services provider with delivery centers around the world, including in Canada, the United States, Central America, Europe and Asia. TELUS International is the global arm of TELUS, one of Canada's largest communications and information technologies companies serving 14.5 million customer connections.

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