

The Philippines as a Destination for British Call Centres

Over the past few years, The Philippines has replaced India as the destination of choice for many offshore call centres servicing the American market and with good reason. The Philippines still has the highest level of English of any country in Asia and has by far the easiest to understand accent for most people whose first language is English. Despite this, most British companies have still tended to choose India ahead of The Philippines. Many Philippines based call centre companies are now increasingly focused on the opportunities from The United Kingdom. This is especially true given that the pound has strengthened to around 1.9 from 1.4 against the dollar making British based work more than a third more lucrative. There is now a small but expanding number of British companies outsourcing their operations to The Philippines. With growing discontent about Indian call centres amongst the British people, could this be the start of a new trend for British based companies?

Our latest client at Asian Call Centres is a telecommunications company from the UK called Fizz Telecom. They are aggressively acquiring new customers in the UK by using call centres here in Manila. Steve Clucas is the Sales Director of Fizz and is delighted with the results so far. "We have developed a quality product but needed a quality workforce to take the product to market." says Clucas, "Through Asian Call Centres, The Philippines has been able to provide that quality workforce and plan to increase that workforce to more than 500 this year".

The main problem for The Philippines is that the British know very little about the country. As with many Brits, when I first came to The Philippines, I knew very little about it. As Brits, we have significant relationships with many countries such as those who are also part of The European Union, NATO, The British Commonwealth, The Permanent UN Security Council, G8 plus our major trading partners or countries or where our troops are based. These countries dominate our history lessons in our schools, the news on our television sets and debates in our pubs. With so many countries in these groups, it is no surprise that countries such as The Philippines who are not part of any of them don't attract as much attention from Brits as they deserve. Hopefully, the success of "Fizz" will show to even more British companies what The Philippines can deliver.

Why The Philippines?

According to every Asian Call Centre Review since 2001, The Philippines has proven to be the number 1 country in Asia to provide offshore English speaking call center solutions. It has outpaced India in key areas such as English, standard of agents, telecommunications and quality of local management. This applies equally to call centre activity from both sides of The Atlantic.

	2003	2002	2001
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Philippines	1	1	1
Sri Lanka	2	3	3
India	3	2	2
Malaysia	4	4	4
Nepal	5	5	5
Pakistan	6	6	7
Singapore	7	15	15
Bangladesh	8	7	6
China	9	8	8
Indonesia	10	9	9
Myanmar	11	14	14
Hong Kong	12	16	16
Thailand	13	10	10
South Korea	14	17	17
Vietnam	15	11	11
Japan	16	18	18
Cambodia	17	12	12
Taiwan	18	19	19
Laos	19	13	13

Culturally Closer?

Anyone who thinks that India has stronger cultural ties to Britain than The Philippines based on our historical ties doesn't truly understand our history. With the exception of a small part of British colonial history, The Empire was exclusively about trade as opposed to spreading cultural influence.

Obviously, there are some cultural similarities between India and The UK. For example, Indian food is among the most popular cuisines amongst Brits. Also, with so many people of Indian descent living throughout the UK, the Indian contribution to the UK is vast. However, this is mainly one-way traffic with India and the Indian people influencing the UK with very little cultural influence going the other way.

Although there are conflicting theories on what defines culture and therefore which countries are culturally close, the theory I subscribe to is the America-North Korea theory where The United States is the most "Western" country and North Korea is the most "Eastern" country. Countries in Western Europe are close to America, while the other so-called "hermit societies" or "closed societies" are closer to North Korea and then there are a whole host of other countries in the middle. Asia represents a broad spectrum of cultures from Eastern to Western but in the entire continent, The Philippines is considered by many to be the most "Westernised" country in many aspects of culture. While there are differences with British culture, they are generally easy to overcome.

However, aspects of culture such as food and dress are generally irrelevant when deciding on call centre location. The important aspect is “communication culture” and this also varies from East to West. The successful salesperson in an Eastern country can be often be too aggressive based on the standards of “The West” whereas the Western salesperson would be far more subtle and would generally spend greater attention to listen and understand the needs of the prospect. When call centres in these “Eastern countries” provide culture training before dialling the UK, they spend a lot of time talking about geography and history and too little time on how to adapt the way they communicate. However, it is always an uphill battle since they will have communicated in that way their whole life and will undoubtedly communicate in that way when they go home after their training. As with other cultural aspects, the typical Filipino will communicate in a similar way to Americans making it easier for them to understand and to be understood. Whether we admit it or not, The British are culturally close to America in almost every aspect of our life including the way we communicate. We are therefore also culturally close to The Philippines. It is this cultural closeness which makes The Philippines a very good base for call centres serving the British market. This is not to say that we have not encountered issues with Filipinos serving the UK market relating to communication issues and getting the Filipino agents to understand the variety of British accents, the speed of our speech and our huge range of slang. However, the typical Filipino agent has an ability and enthusiasm to learn and adapt which makes this easy to overcome with time and effort. Asian Call Centres has now had to develop specific curricula to deal with these issues and like so much of our e-learning and classroom based training have proven to be very effective.

American Accent

To a British ear, a Filipino sounds very closer to American. At first, this may appear to be negative but if used correctly, its effect can be very positive. Whenever a gatekeeper hears an American accent, they rarely think it's a telemarketing call. It is unlikely that many of the expatriate American community in The U.K. would work as telemarketers so when a gatekeeper hears an American accent, it sounds as though the call has increased importance. This is one of a number of reasons that companies using Filipino telemarketers have shown increased performance compared with other offshore locations.

Other Competition

Of course, the competition no longer just comes from India. There are a large number of developing countries jumping on the offshoring bandwagon. However, in many of these countries including those in Central and Eastern Europe, English is a weak 3rd language and they are often lacking in quality communication skills. In fact, the real competition will actually come from Africa and most notably South Africa.

Conclusions

For as long as The Philippines retains its competitive advantage in English, the country is definitely a strong contender for British companies to locate their call centres. Since 2000, the peso has devalued from approximately 70 to the pound to over 100 making it even more competitive. Like any offshore locations, there are challenges but the success which Fizz has achieved will soon be achieved by other British companies.