



“The 8-track stereo is out of stock, the lime green leisure suit is out of stock, the Earth shoes, mood ring, and Disco Barbie are also out of stock. Would you like me to send you a new catalog, ma’am?”

ITEM: 284-384
Rival® 20 Quart Roaster Oven w/ Enamel on Steel Pan, Steel Rack & Buffet Server

INTRODUCTORY PRICE

The Shopping Channel call toll-free 1-888-2020-888

The Shopping Channel 30 YEARS

WELCOME
SIGN IN

SHOPPING CART [0 item, \$0.00] FRANÇAIS

- TRACK YOUR ORDER
- MY ACCOUNT
- HELP

TODAY'S SHOWSTOPPER PROGRAM GUIDE

24HR PRODUCT REVIEW ON TV NOW WATCH TSC TV LIVE

JEWELLERY BEAUTY FASHION HOUSE & HOME COOKING & DINING ELECTRONICS HEALTH & FITNESS HOBBIES & LEISURE GIFTS CLEARANCE AS SEEN ON TV

enter item # or keyword SEARCH

- Quick Order
- Best Sellers
- Shop by Brand
- Email to Air
- TV Personalities
- NEW Fall Catalogue

- September is Home Month**
- Fall Planting
 - Westex Sleep Specialist
 - KitchenAid® Contest
- Cooking & Dining
- Wolfgang Puck
 - temp-tations
 - Food Storage

- Jewellery
- 10K Gold Showcase
 - Silver & Diamonds
 - Tanzanite Gems

- Beauty
- Aloe Ferox Skin Care
 - New! Anastasia Beverly Hills
 - New! Radical Departure

- Fashion
- Coat Couture
 - Brian Bailey Fashions
 - New! Belly Basics Maternity Wear

- Electronics
- New! Panasonic
 - Digital Cameras
 - GPS

- Health & Fitness
- New! 6 Week Body Makeover
 - Hip Hop ABS
 - Urban Rebounder

TODAY'S SHOWSTOPPER

ITEM: 393-822
14K Asher Cut Solitaire Ring
Choice of Yellow Gold or White Gold

Diamonette & Gold

Our exclusive brand of simulated diamond jewellery

15c Price ~~\$109.99~~
\$79.96

EASY PAY*
3 x \$26.66

SHOP THE COLLECTION

More Details Watch Video Presentation Buy Now!

Ott-Lite

The next best thing to natural daylight

Rx Pedic Memory Foam

Add a layer of comfort to your bed!

Belly Basics Maternity wear

New!

Look motherhood magnificent

SEPTEMBER IS HOME MONTH

Saeco

Make Great Cappuccinos & Espresso!

double TODAY'S SHOWSTOPPER preview for tomorrow!

Coat Couture Fashions

smashbox cosmetics

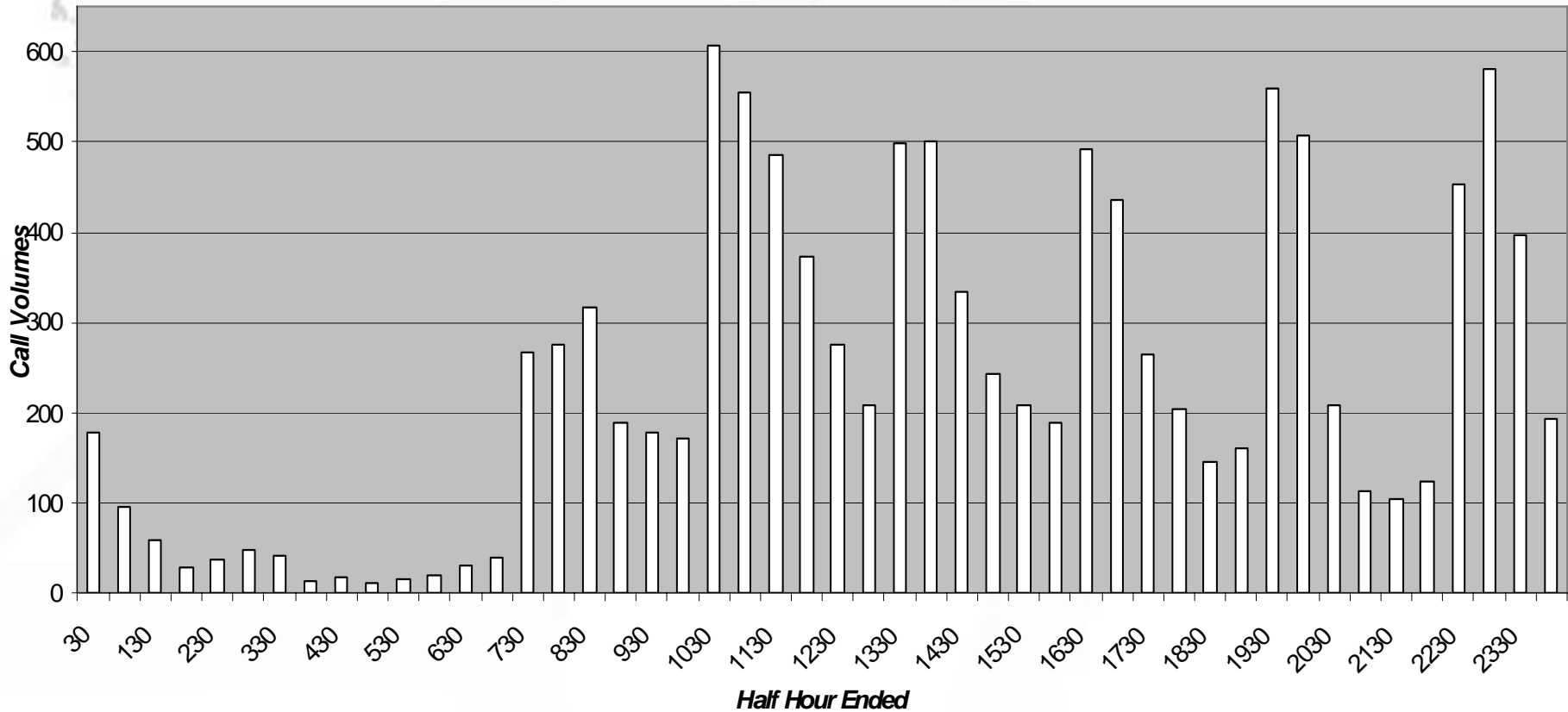
The Shopping Channel Stats:

- Canada's only 24 hour television shop-at-home service
 - On-Air, web & catalogue and two retail outlet stores
- 7 Million homes receive our channel
- \$320 million in sales annually and growing (13%+ per year each of the past 5 years)
- Our website www.TheShoppingChannel.com has more than 15,000 products and accounts for \$80 million in annual revenue

Customer Care Centre stats

- 3 million calls and 50,000 e-mails per year
- 130 in-house agents
- 120 home based agents
- Voice activated automated ordering system
- 170 Second AHT
- Call volumes depend on what is on-air
 - Ranges between 500 and 2000 calls per hour and change each hour throughout the day/week/year

A typical day of call spikes.....



Why did we start investigating the Home Based Agent program?

- There was minimal flexibility of our in-house and third party agents (I.e. 4 hour minimum shifts)
- Home based agent option promised variable scheduling throughout the day and week
- A promise that large numbers of home based agents can be brought on very quickly to handle unanticipated sales spikes
- Short shifts are an option with 1 hour minimum schedule requirements
- Bad weather (snow etc.) can be great for our business..... but bad for in-house agents getting to work

We had some concerns.....

- Security of Customer information including credit cards
 - **Extensive security background checks**
- Babies crying and dogs barking in the background
 - **Contract states that there must be a separate office and no other responsibilities while taking calls**
- Is the trained agent actually taking our calls?
 - **Biometric fingerprint scan is the only way to log into our system from home**

Our concerns and how they were answered....

- Will our IT security even allow a connection to our internal network? (home computer viruses etc.)
 - **Secure VPN and the desktop software runs off of a DVD – the home computer hard drive is not accessible to the Home Based Agent while logged in**
- We can't see what they're doing, so what level of control are we giving up?
 - **Extensive call monitoring and the threat of contract termination if calls are not handled as trained**
 - **Our home based agents are independent contractors. They each own their own business**

Why the launch was successful.....

- We spent a great deal of time interviewing
- We had an excellent trainer and developed a specific home based agent training package
- We adjusted our call quality program to adapt to the Home Based Agents
- Our agreements with the agents require professionalism, call quality and minimum weekly sign-up for hours to continue doing business with us

Why the launch was successful.....(cont.)

- We placed a very qualified Manager to be responsible for the entire implementation
- We provided immediate and constant feedback to the agents after launch in order to ease them into the new role
- We provided excellent escalation support for the agents
- The company we chose provided excellent support
- We provided the same access to all the tools our “in-house” agents have

Has it been a success 3 years later?

- Our home based agents are now answering 100,000 calls each month
 - 50% of order calls (\$100+ million in annual sales)
- The quality scores for these agents slightly exceeds that of our “in-house” agents (score of 95.8%)
- Hard to fill timeslots are now better staffed providing good service levels and increased sales

Has it been a success three years later? (cont.)

- Cost per call has reduced as a result of the flexibility provided by the home based agent pool
 - 1 hour schedule vs. 4 hour minimum
- There are very few HR related issues
- During our first significant snowfall in December 2004, we were short 21 “in-house” representatives.
 - 19 additional home based agents were brought online within 20 minutes. Customers experienced excellent service levels

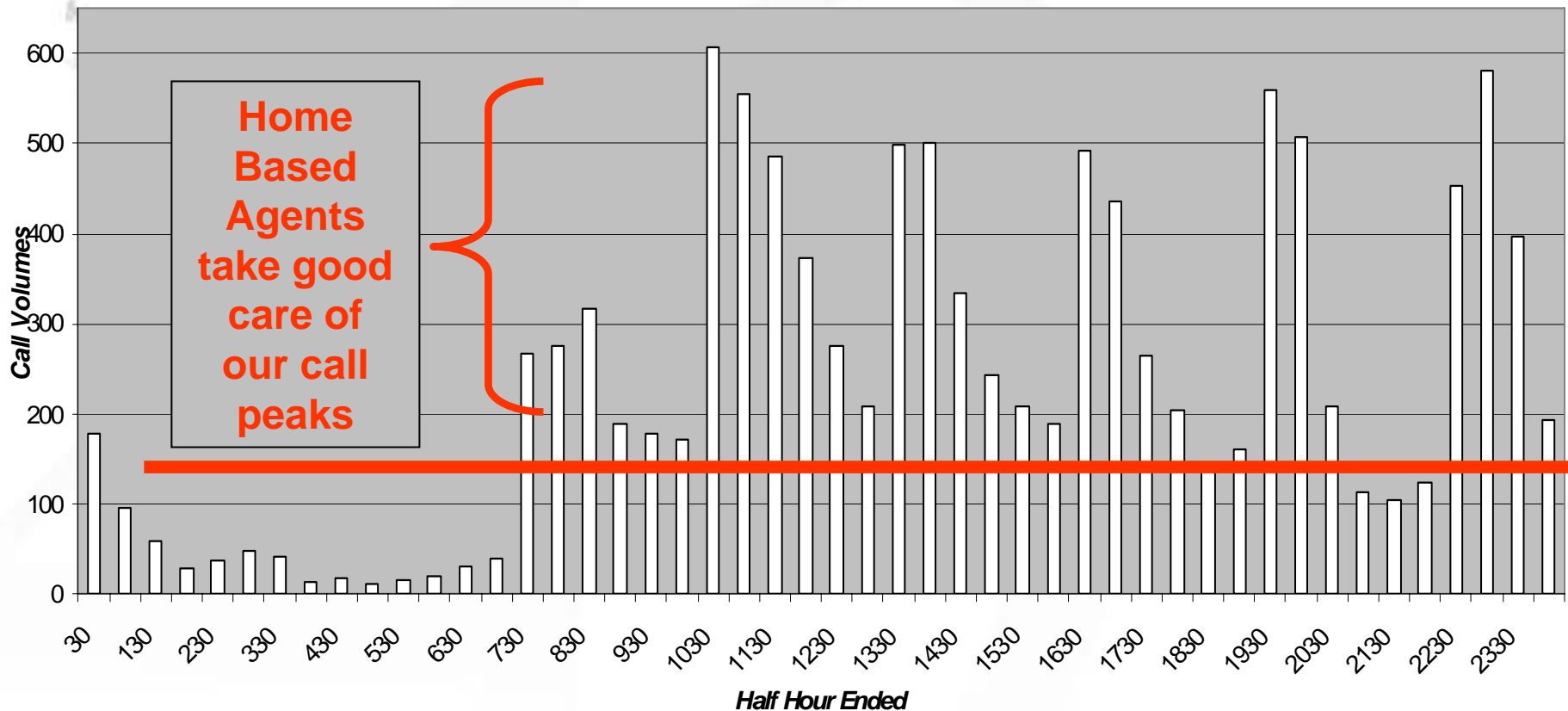
Has it been a success three years later? (cont.)

- We ended the relationship with our other third party call centre in 2006 which results in approximately \$500k savings each year
- As of June 2006, the Home Based Agents handle 100% of our midnight to 7 a.m. calls
- We have not had to expand our facilities to accommodate our growth
- Our Home Based Agents provide disaster recovery options

How do we keep our Home Based Agents engaged in our business?

- Supervisor monitors Agent Chat at all times
 - They have answers when they need them
- Our escalation support creates a good rapport between our teams
- Contests
 - As a rule our contests are always open to both in-house and home based agents
- Prize Giveaways
 - We give product samples to all our agents (in-house and home based)
- Tour of The Shopping Channel
 - Every year we invite all our HBA's to our head office for lunch and a tour

A necessary solution for our call spikes



Thank-You!

