



Magellan & Velaro

Reduced Operating Support Expenses in Less Than Two Years



CLIENT

Magellan

LOCATION

Santa Clara, CA

INDUSTRYGPS navigation
consumer electronics**WEBSITE**

magellangps.com

The Magellan logo features the word "MAGELLAN" in a bold, uppercase, sans-serif font, centered within a thin, horizontal oval line.

Magellan GPS cut customer support operating expenses in half in less than two years by harnessing the productivity gains Velaro's live chat solution has to offer.

Overview

Magellan has been a leading provider of GPS navigation devices since 1986, with award-winning products in multiple categories including auto, RV, commercial, outdoor, fitness and mobile. With over 200 key patents in GPS technology, and developing new cloud-based technologies, wearables, OEM and B-to-B solutions, Magellan is committed to the idea that innovation is essential to meeting the changing needs of today's consumers.

The Challenge

As anyone who's worked in technology will tell you, the more products and features you offer, the more costly it will be to maintain them all, especially in terms of technical support. With this in mind, Magellan sought opportunities to increase efficiency. This would reduce costs for Magellan in the short term and allow for bigger-scale, more sustainable product development in the long term. The most immediately obvious opportunity for efficiency was to be found in the technical support contact center. In 2013, more than two-thirds of all support inquiries came in via telephone (for Magellan this represented more than 200,000 inquiries annually). This was costly in terms of the human resources necessary to field those calls and in terms of the phone bill itself. For an organization of this size, receiving this kind of call volume, technical support expenses nearly reached \$1.5 million. While not a threat to immediate profitability, it would certainly weigh down the kind of innovative growth Magellan's company strategy demanded.

The Solution

Magellan GPS chose Velaro live chat to increase the efficiency of its contact center. From 2013 to 2014, Magellan reduced support spending from \$1,480,000 to roughly \$840,000, a 43% reduction, within one year of implementing Velaro. The current run rate for 2015 is approximately \$650,000, a 22% decrease from 2014 and a 55.8% decrease from 2013, before Velaro live chat was deployed.

Magellan achieved the reduction by directing more inbound support inquiries to live chat rather than to telephone. Over the same period of time (2013-YTD 2015), the percentage of contacts to support via telephone dropped from 66.9% to 33.1%. By shifting approximately 30% of the inquiries to live chat, Magellan eliminated more than 50% of the support expenses.

Velaro live chat enables companies to realize this kind of efficiency by making it easy for agents to toggle between chat windows and to insert and edit pre-written responses. Velaro also makes it easy for companies to capture inquiries via live chat before those inquiries turn into more costly phone calls, through branded click-to-chat and proactive chat invitations. Read more about these features below:

▶ **MULTIPLE, SIMULTANEOUS CHAT SESSIONS** —

With live chat, Magellan's support agents can serve multiple website visitors simultaneously. They track when new responses have come in from an existing conversation and easily transition between conversations. At the management level, Velaro helps them assign new conversations to agents with bandwidth to handle them.

▶ **PRE-WRITTEN CHAT MESSAGES** — By making it easy for agents to find and insert appropriate responses to common questions, support staff can more quickly transition between and ultimately resolve support inquiries.

▶ **CLICK-TO-CHAT AND PROACTIVE CHAT** — Chat invite buttons can rest on a website waiting to be clicked, or in the case of proactive chat, can spawn as a pop-up invitation to solicit engagement. In both instances, by making it easy for customers with support questions to engage agents immediately via live chat rather than via telephone, companies can increase their support team's efficiency.



With Velaro live chat, our agents can now handle multiple chats in the same time it used to take them to address a single call, and as a result, we are on track to reduce our support spending by more than half of its pre-chat level this year.

HANAM VUONG
SENIOR MANGER OF
CUSTOMER ADVOCACY
MAGELLAN GPS

About Magellan GPS

Magellan, the industry leader for innovative GPS navigation devices since 1986, globally markets award-winning products in multiple categories including auto, RV, commercial, outdoor, fitness and mobile. With over 200 key patents in GPS technology, Magellan continues its tradition of innovation by developing new cloud-based technologies, wearables, OEM and B-to-B solutions to meet the changing needs of today's consumers. Magellan is the creator of the award-winning Magellan RoadMate®, and Smart GPS™ series portable car navigation products, as well as the Magellan Triton® and eXplorist® outdoor handheld navigation devices. Magellan is also proud to offer innovative Mobile GPS solutions including the RoadMate App for iPhone and Premium Car Kit accessory.

About Velaro

Velaro is a leading, award-winning live chat vendor. As one of the first technology companies to enter the live chat space - and the largest best-of-breed live chat vendor - we have accumulated a significant level of expertise in how to maximize live chat ROI. This expertise is made available to our customers via our Success Management program. Regardless of the size of your organization, you can rely on a success manager to guide you through the implementation and ongoing performance improvement of your live chat investment.

Chat with Us at velaro.com