

Making Your Business Recession-Proof



Implementing strategies that deliver insanely great CX
and solve for the challenges of an uncertain market



The State of Play



Current Economic Conditions (and What You Can do About Them)



With global economic uncertainty, geopolitical instability, and rising wage rates, whether you're a business or a consumer, you're feeling the pinch.

And each industry faces its own unique challenges.

In this eBook, we'll examine how the current economic climate has impacted different industries and explain in detail what steps you can take to keep your business in the black.

How Economic Downturns Impact Key Industries





Payer and provider executives reported that they expect a drop in margins of between **25%** and **75%**¹.

Healthcare

COVID-19 hit the Healthcare industry especially hard, leading to crippling staff shortages and rising costs.

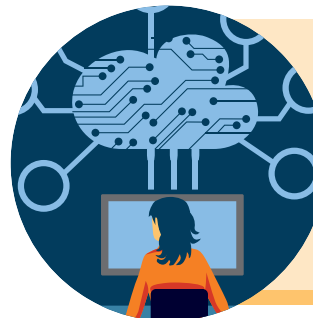
But in the wake of the pandemic, Healthcare has even more challenges on its hands:

- Inflation driving up costs further
- Loss of private insurance, made worse by unemployment, resulting in decreased sector revenue
- Continued pandemic-era delay of preventative care



Pro-tip: There is a clear way out—and it starts by accelerating productivity improvements and maximizing efficiency.

¹ McKinsey



For over six decades, technology has performed poorly when inflation has been high².

Technology

In recent years, technology companies have performed well—particularly newer niches like streaming services and remote work-friendly platforms—but the industry has experienced episodic slowdowns, and rough earnings reports due to rising inflation and mounting fears of a recession.

The industry has had to contend with:

- Supply chain shortages resulting in inventory reductions
- Reduced ad spend and inflationary pressures on wages and products
- Inflation driving customers to re-evaluate discretionary spending, from subscription services to hardware devices



Pro-tip: Savvy tech leaders are already looking to maximize revenue opportunities by focusing on customer retention and reducing churn, while enhancing Customer Lifetime Value (CLV).



Consumer debt ballooned to a record **\$16T**, driven mostly by mortgage balance increases³.

Financial Services

Growth in this sector remains stagnant, hampered by persistent inflation, high interest rates, and declining consumer buying power.

And the current forecast is looking lackluster:

- High inflation reduces discretionary spending, resulting in consumers spending less on non-essential items
- Overall delinquency rates increased across all debt types among sub-prime and low-income borrowers
- Increasing consumer pressure caused by higher interest rates on adjustable-rate debt and potentially higher mortgage costs



Pro-tip: With flexible workforce models, financial companies can become more resilient, managing costs, improving account resolution, and increasing revenue opportunities.

³ Federal Reserve Bank of New York



Retail continues to struggle post-pandemic—while nominal sales have gone up **9.4%** since March 2021, real sales (excluding inflation) decreased **0.1%**⁴.

Retail

High inflation and rising interest rates have thrown the industry for a loop. Consumer spending is down—other than for essentials—driving the retail sector's revenue down along with it.

And while the industry has been experiencing growth:

- Consumer prices skyrocketed 8.2% overall from the previous year
- Consumer earnings decreased by 4.7%, increasing delays on large purchases
- Customers are re-evaluating brand choices and expect more service options



Pro-tip: Retail businesses can drive customer loyalty, maximize revenue, and improve operational efficiency by delivering omnichannel customer experiences (CX).



Each truck roll costs telecom companies **\$1,000+**. With intelligent automation, companies can **identify, diagnose, and respond to operational issues remotely**, dispatching field services only when needed⁵.

Communications

The push for 5G and fiber networks has increased capital expenditures, made worse by escalating labor and energy costs.

This need for speed has been further impacted by ongoing challenges:

- Continued investments in networks, service delivery, and hypercompetitive markets pressure profitability
- Growth remains elusive, making customer retention and efficiency gains paramount
- Customer service continues to drive satisfaction and brand loyalty, but rising labor costs may hamper hiring efforts



Pro-tip: Improving efficiency and optimizing CX delivery is vital to cost reduction, customer retention, and maximizing revenue.

Delivering Sustainable CX When the Economy Goes Sideways





Providing outstanding customer experiences is key to a company's success—especially when the economy takes a turn for the worse.

To help your company—no matter your niche—soar instead of sink, here are **five battle-tested keys to delivering superior, sustainable CX** to help achieve the outcomes you want.

1 | De-risk Operations

Companies are increasingly outsourcing (or increasing their existing outsourcing mix) to lower operational costs and minimize risks caused by economic twists and turns.

Increasing resiliency and flexibility in workforce delivery is key to reducing risks in any economic climate—especially bad ones.

Workforce models that set you up for success include:



Multi-shore, hybrid, and work-at-home delivery so you can flex as needs change



Unified, global, high-quality operations based on insights from your customers—across their entire journey



Digital-first engagement based on your needs for skillsets, proximity, market maturity, risk tolerance, and cost



Investments in the overall wellbeing of **employees**, creating resilient workforces and driving scalability

2 | Reduce Performance Shortfalls

Inefficiency costs companies anywhere from 20% to 30% of their annual revenue⁶. And when the economy goes south, these costs can become insurmountable.

But with actionable insights into the customer journey and ROI, you're always ahead of the curve.



Mapping out the customer journey and measuring key metrics help you identify key outcomes at each stage that are critical to meeting customer expectations



Creating an ROI analysis reveals how harnessing tools can highlight shortfalls and facilitate quicker responses

⁶ IDC

3 | Elevate Your Access to Talent

In a recent survey conducted by **PwC**, 48% of respondents identified talent shortages as the most significant risk to their business.

Businesses struggle to find and retain talent across multiple industries—but with a combination of digital tools and workflows, they can hire and empower the talent they need to take them to the next level and beyond.



Hire best-fit candidates by creating talent profiles aligned to your brand; consider markets that can provide strong talent pools aligned to your profiles, and use digital tools for pre-hire assessments



Empower talent with the right tools and training, like prescriptive coaching and real-time learning to proactively address learning gaps, and streamline delivery, eliminate inefficiency, and reduce employee burnout with digital workflows

4 | Rev Up Profits

By driving increased revenue growth and customer retention, your business can withstand just about anything—recessions included.

Just boosting customer retention by 5% can increase profits anywhere from 25% to 95%, with 65% of purchases coming from returning customers⁷.



Solidify relationships while maximizing revenue opportunities using data mining, operations research, and advanced analytics to optimize processes



Drive profitability through modeling and executing against high probability offers, and minimize potential delinquencies through balanced customer care and self-payment options to increase cash flow

⁷ Business News Daily

5 | Reduce Costs While Maintaining Strong CX

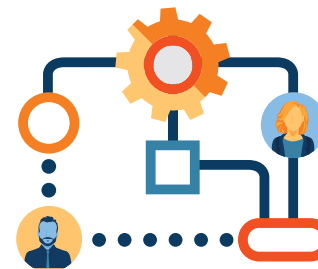
Companies can recover from recessions, but how well they do depend entirely on early intervention.

Resilient companies bounded back from the Great Recession of the late 2000s by being proactive and building more operational flexibility without sacrificing customer loyalty⁸.

And by improving operational efficiencies and flexibility, your company can too.



Streamline without compromising the customer journey by harnessing automation, AI, digital tools, and advanced analytics that boost productivity and drive growth



Implement strategies that improve operational efficiency and front-office customer interactions for better overall CX delivery

⁸ Harvard Business Review

The Ultimate Pro-tip





We'll let you in on a little secret...

You don't have to go it alone.

Having a trusted partner who understands your business and your customers can keep you going strong, no matter what's going on in the world. Especially one who puts your goals—continuity, efficiency and optimization, and growth—first.

Alorica supports clients by providing comprehensive solutions that facilitate the **right work**—in **the right market**—at **the right time**.

We love delivering outcomes clients want, creating insanely great customer experiences and solving for the challenges of an uncertain market.

Because at the end of the day, being recession-proof means being ready for anything that comes your way.



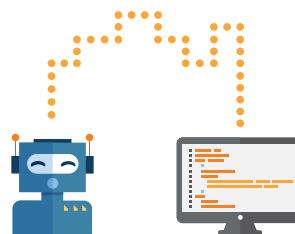
And companies who come out on top:



Augment their talent with digital collaboration



Optimize their geographic presence



Automate standardized tasks and interactions



Resolve delinquency challenges



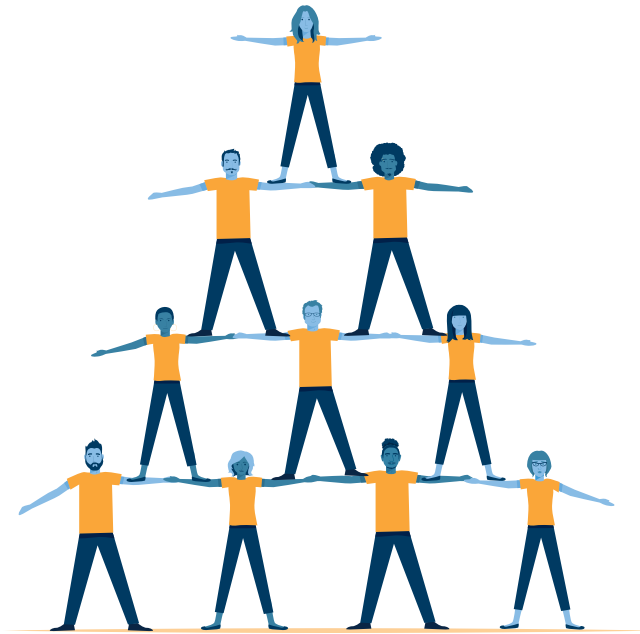
Excel at account resolution + delinquency management



Strengthen and solidify customer relationships



Are prepared to grow and scale as market recovers



So, if you're not quite there yet, let's talk—
because **we can help keep you on solid ground
no matter how shaky the economy gets.**

About Alorica



About Alorica



Alorica delivers insanely great customer experiences at scale.

Digitally charged, future-focused, and with a forever customer-first mindset, we don't just deliver—we transform.

- Our solutions forge a partnership between us and your brand, driven by your needs and your pain points
- Our operations support is second-to-none, delivered by the best team in the industry
- We deliver the outcomes our clients want with the digital CX customers crave

We know that customers want it all, and we know you want to give it to them. Whether you're focused on market expansion, digital optimization, or engagement, our team will turn your customers into brand evangelists.

Our Three Ps: Passion, Performance, Possibilities

It's our great privilege to represent the best brands in the world, and we embrace every day and every challenge with passion, performance, and possibilities™.

These are the principles that guide us in helping others make better choices and informed decisions. They're more than words...they're our rally cry, loud and proud, 115,000+ strong and ready to create insanely great customer experiences everywhere.

Passion

We see every interaction as an opportunity to create opportunities—for our customers, our clients, our colleagues, and our communities. And we put 110% into making lives better, even if it means doing things a little differently.

Performance

We're committed to delivering real results. We launch and scale quickly, using data insights to identify opportunities for continuous improvement. And we give it our all, no matter the challenge.

Possibilities

Some see the sky as the limit. For us, it's just a stepping stone.

Because we're Alorica:

- Expert technology Integrators
- Industry change leaders
- Outcome-driven solutionists

So where do we go from here? Anywhere and everywhere you want to go!

Call 866-ALORICA or email sales@alorica.com.