

Cross-Selling in a Call Center with a Heterogeneous Customer Population

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Abstract

Cross-selling is becoming an increasingly prevalent practice in call centers, due, in part, to its unique capability to allow firms to dynamically segment their callers and customize their product offerings accordingly. This paper considers a call center with cross-selling capability that serves a pool of customers that are differentiated in terms of their revenue potential and delay sensitivity. It studies the operational decisions of staffing, call routing, and cross-selling under various forms of customer segmentation. It derives near-optimal controls in each of the settings analyzed, and characterizes the impact of a more refined customer segmentation on the structure of these policies and the center's profitability.

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