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Business process outsourcing (BPO) is a process that allows small to mid-market brands to deliver better support and tap into scalable resources at price points that make sense.

According to Clutch, [90% of small businesses](#) explored the concept last year, outsourcing everything from IT to financial management and customer support. By following along with the growing trend, you can cut down on costs, streamline your operations, and better serve your customers.

Nevertheless, if you want to make the most of outsourcing, it is critical that you choose the right type of BPO services, and when it comes to outsourcing, there are two primary types of BPO: offshore and domestic.

With that being said, here's everything to know about U.S.-based BPO, including why it's the better choice for your business.

What Is Domestic BPO?

Domestic business process outsourcing refers to the practice of contracting non-primary business processes out to a third-party provider. In other words, you are letting a nationally local third party take care of one or more of your business functions. Outsourcing customer support to a [domestic call center](#), for instance, is an excellent form of domestic BPO.

The alternative to domestic BPO is BPO offshore outsourcing. Whereas domestic BPO involves outsourcing tasks to a company in the same nation as your business, offshore BPO makes use of the services of a provider in another country.

Domestic BPO vs. Offshore BPO

The primary allure of offshore BP has been its lower price point. Outsourcing to countries with a lower cost of living and reduced (or non-existent) minimum wage can save your business significant sums.

However, the old adage "you get what you pay for" holds true when it comes to offshore BPO, as any initial savings you enjoy might be outweighed by unforeseen expenses and challenges, such as cultural misunderstandings, communication barriers, and time zone differences, among others.

As such, that is where domestic BPO stands out. Keeping the process within the same country mitigates many of these challenges while also offering unique benefits.

5 Key Benefits of Domestic Outsourcing

Domestic outsourcing provides distinct benefits over offshore outsourcing. Specifically, domestic BPO outsourcing offers the following:

1. Easy Monitoring

With domestic BPO, you can maintain a closer watch on operations and ensure that your provider is meeting the performance thresholds outlined in your service agreement. That level of proximity allows for easier training sessions and the ability to promptly address any emerging issues.

In other words, control and quality assurance become considerably more straightforward, and given that a domestic provider will likely adhere to the same business and workforce management practices as you do, you can be confident in the quality of their company culture and the overall morale of their workforce.

2. Fewer Technological Differences

Offshoring typically involves technological discrepancies, from different software versions to varying IT protocols. Many offshore BPO service providers want to take on as many clients as possible and keep costs to a minimum, but that means they are likely to use low-dollar technology.

Even if the quality of their technology is satisfactory, there is a greater chance that it will misalign with your own, which means you probably won't be integrating your systems with your support providers, or at least not doing so easily.

With domestic outsourcing, on the other hand, it's far more likely that the technology and infrastructure of your provider will be similar to yours, making integrations and collaborations smoother.

A domestic partner can also provide recommendations for upgrading your technology stack to achieve streamlined data sharing between your organization and theirs. Tapping into the latest technologies is key to sharpening your competitive edge and optimizing the customer journey.

3. Better Data Security

Different countries have different regulations regarding data protection, but domestic BPO ensures that your business processes adhere to local data protection laws, potentially reducing the risk of breaches and the associated legal complications.

Conversely, if you use a less reputable offshore partner, you may find yourself in a heap of trouble with regulators and your customers. Even worse, outsourcing partners with lax security measures can make your business susceptible to breaches and cyberattacks, of which a single one can disrupt your operations

and threaten business continuity. With so much at stake, it is critical that you choose your partners wisely.

4. No Major Time Zone Differences

Another of the major drawbacks of offshore BPO is coordinating across drastically different time zones. If your BPO services provider operates from the other side of the world, it can be difficult, if not impossible, to collaborate in real time. You will also experience slower response times when you reach out with a concern, meaning problems could go unaddressed for hours.

Domestic BPO, on the other hand, eliminates or greatly reduces these kinds of issues, ensuring that business processes remain reliably synchronized. Even if you and your domestic BPO provider are on opposite sides of the country, you won't experience any more than a three-hour difference, meaning you will have plenty of opportunities to collaborate with your BPO provider each day.

5. No Language or Cultural Barriers

Clear communication is vital for any business, but outsourcing overseas might introduce language barriers or cultural misunderstandings, which can lead to errors, misinterpretations, or inefficiencies. Opting for domestic BPO ensures more straightforward and effective communication, fostering better relationships and outcomes with your provider.

Your customers will also benefit from the lack of such barriers. They can speak to U.S.-based support agents who understand their frustrations. Such agents can better connect with your customers, express empathy in a culturally consistent way, and ensure callers get the help they need when they need it.

Choosing the Right Domestic Call Center Outsourcing Provider

Domestic BPO outsourcing is undoubtedly the better choice for your business, but it is vital that you find a provider that can meet your unique needs by delivering customized, scalable services.

If you are not sure where to begin, consider using [call center consulting services](#) to assess your needs. A consulting service will help you explore outsourcing solutions and identify the services that will yield the best return on your investment.

With a little due diligence, you can tap into the power of outsourcing and provide a better experience for your customers. You will also enjoy significant cost savings, reduced support costs, and improved retention.



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