

the complete guide to call recording for businesses

10

benefits of cloud-based call recording

How the Dodd-Frank act affects call recording

recording on cloud vs. on-premise

Which is better?



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Introduction to cloud-based call recording

During the last few years, cloud computing technology has been a key component in the digitalization of services across all industries. Nowadays, as customer expectations are rising and the easy access to information has become an essential requirement, more and more businesses are moving to the cloud.

Call recording makes no exception, and there is a reason why. If companies focused exclusively on developing an excellent product just a few decades ago, today the focus is on the customer. For this reason, customer support has become a powerful tool for maintaining long-term relationships with clients, establishing an impeccable reputation,

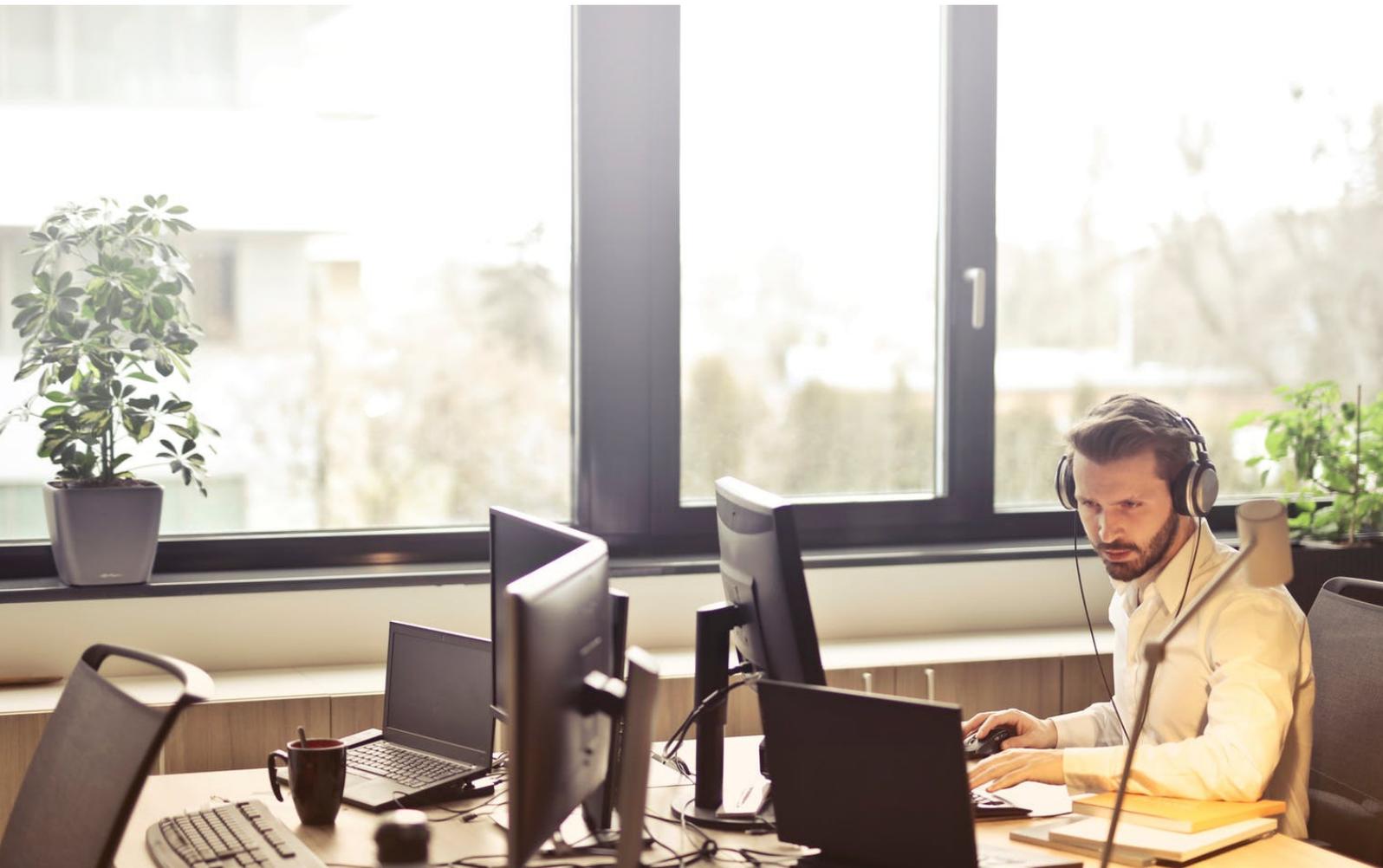
and obtaining a strong position on the market.

As a result, call recording became a service of increasing value during the last few years

ACCORDING TO DEFAQTO RESEARCH, 55% OF CONSUMERS WOULD PAY MORE FOR A BETTER CUSTOMER SERVICE

as one of the most efficient ways to establish a great reputation for excellent customer support and maintaining low churn rate while keeping costs down.

To reap all the benefits of a cloud-based call recording system, keep reading!



10 reasons why businesses need to record calls

1. Compliance

With the implementation of the Dodd-Frank Act and the effect of European regulations such as MiFID II in the USA, many companies found themselves under the obligation to record interactions to protect the privacy of North-American citizens.

Under the Dodd-Frank Act, companies in the finance sector are obligated to record all conversations that might lead to a potential transaction.

A call recording software will not only make your company compliant, but it will reduce the risk for suffering costly penalties for non-compliance.

2. Customer service

By monitoring real-time interactions between employees and clients, you will be able to detect and improve weaknesses in your customer service.

Once your calls have been recorded and safely stored on the cloud, you can use them to level up your team's communication skills, and become better at providing excellent support for your customers.

3. Dispute Resolution

Call recording is a great way to resolve disputes and clear out ambiguous information.

Considering that the majority of lawsuits brought against companies result from miscommunication or false claims made over the phone, having a solid record to clarify misconceptions is essential for providing an additional layer of protection to your company.

4. Forgotten details

Cloud-based call recording is a great way to capture forgotten details without having to call your customers back and risk looking unprofessional.

By recording interactions, you will be able to reproduce conversations and access this information from literally any place - as long as you have a stable Internet connection, and a desktop or a mobile device.



10 reasons why businesses need to record calls

5. Instant Feedback

Professional call recording helps you capture valuable feedback from your customers, which can be used to improve the overall performance of your services.

Whether they liked your service, or called you to complain, your company has the incredible opportunity to evaluate its strengths and weaknesses, and work towards improving them.

6. Avoid Confusion

Have you ever played the game Broken Telephone? If you did, you already know how easily information can be distorted when it passes from one person to another.

Cloud-based recording ensures that important information is captured correctly, and there is little to no risk of error or misinterpretation.



7. Quick Catch-up

Recorded calls are extremely helpful to keep you updated on everything you missed at the office while you were on a holiday.

Instead of having to ask colleagues about conversations that you couldn't join, call recording allows you to catch up quickly and easily.

8. Evolution

Among the benefits of cloud-based call recording is the possibility to track down and analyze the stages of your customer service evolution.

Conversation history provides you with valuable information on how you used to communicate with your customers, and whether you actually reached your goals.

9. Quality Control

Call recording makes your employees more conscious about their performance during a conversation. This will make them careful with their choice of words, reducing risk for possible disputes.

10. Traceability

Advanced call recording solutions have a logging and auditing system to provide full traceability as required under the Dodd-Frank Act.

call recording on cloud vs. on-premise

While both cloud-based and onsite infrastructures can be beneficial for improving customer service efficiency, cloud technology is slowly, but steadily becoming the preferred choice for many companies. Here is why.

Call recording on Cloud vs. On-premise



Upfront purchasing costs

Professional cloud-based call recording requires no investment in hardware or complex infrastructures. Usually, ongoing costs are limited to subscriptions and/or use of the service.

Onsite installations usually require a lot of investment in order to be properly set up. This includes the purchase of hardware, servers, licensing, and the list goes on.

Maintenance

Moving your call recording system to a cloud-based provider means that you will no longer have to maintain a complex infrastructure by yourself.

Because servers now belong to a trustworthy provider, they will be in charge of the upkeep, and you can focus this time and resources on more important things.

On-premise infrastructures require regular hardware and software maintenance to ensure that the whole infrastructure is in line with the latest technological and security updates.

Because this setup is quite complex, it usually requires for a qualified personnel, which can easily add up to the ongoing costs.

Call recording on Cloud vs. On-premise



On Cloud



On-Premise

Reliability

Cloud systems are prepared to handle huge volumes of data, delivering a high quality of redundancy protection that implies no costs for the client.

Cloud infrastructures also have an outstanding availability of 99.9%.

Reliability is among the major concerns for many businesses. Is the system going to be available when you need it?

Handling redundant data can be very costly for on-premise systems.

Features & Integrations

Cloud-based systems are significantly easier to update, and services based on the cloud can be equipped quickly and easily with new features and integrations.

Adding new features or integration alternatives are not only costly for onsite infrastructures, but they can also take a long time to be implemented while remaining compatible with the system.

Security

Infrastructures and services are easy to update, and they can be secured in many different ways: AES-256 algorithms, encryption, protection against DDoS attacks, etc.

Because updating to the latest security regulations require additional costs, many companies face the risk of breaches and malicious practices.

Dodd-Frank Act

The Dodd-Frank Wall Street Reform and Consumer Protection Act became effective on July 21, 2010, as a way to respond to the crisis by imposing regulatory changes in the financial services industry.

Among the requirements, the new regulations outlined the obligation to record all communications that could potentially lead to a transaction.

Who is subject to the Dodd-Frank Act?

The Act applies to companies that:

1. Provide investment services, such as investment advice and management.
2. And/or manufacture and distribute financial instruments.

Goals of the law

By imposing regulatory changes, the Act has the following main objectives:

NON-COMPLIANCE WITH THE DODD-FRANK ACT MIGHT BRING HARSH PENALTIES UNDER THE 1934 SECURITIES AND EXCHANGE ACT

- Bring transparency to public markets and encourage healthy competition in the swaps marketplace;
- Protect against risks by bringing standardized swaps into centralized clearing;
- Ensure that swap dealers and major swap participants are regulated for their activity;
- Mitigate the threats for financial stability.



Dodd-Frank Act & Call Recording

Under the Dodd-Frank Act, companies that offer financial services will have to meet the following requirements:

- Record all interactions that relate to pre-execution swap trade information or that may **lead to a transaction**;
- Maintain recordings in a **searchable format** for a period of **5 years**;
- Recorded data must be **easily accessible** if required by authorities;
- Oral communications should be archived for **at least one year**, while transaction-related records for five years;
- Recordings must be accessible at the **main place of the company**;

Companies must ensure that recorded data is securely archived in a way that protects it from alteration or erasure. Additionally, the system used to store calls recordings must allow



records to be retained beyond the standard period to meet other legal requirements that might apply to a specific case.



The impact of EU regulations on US companies

This year, the European Union implemented two important security regulations to ensure that the data of European citizens is protected.

The General Data Protection Regulation

The General Data Protection Regulation, also known as the GDPR, entered into force in May 2018 with the purpose of setting a new standard for the unification of data protection practices across the EU.

The GDPR was designed to replace the 1995 EU Data Protection Directive. However, a major change that wasn't covered by the 1995 Directive is the territorial scope of the law.

Under the new regulation, even businesses that are not EU-based or have no employees in Europe might still be affected by the GDPR if they process data of European citizens.

This is important to keep in mind if your USA-based company is planning to record calls and process data of European citizens. For more information, do not hesitate to contact us.

MiFID II - Markets in Financial Instruments Directive

The second revision of the Markets in Financial Instruments Directive (MiFID II) became effective in January 2018 across the European Union.

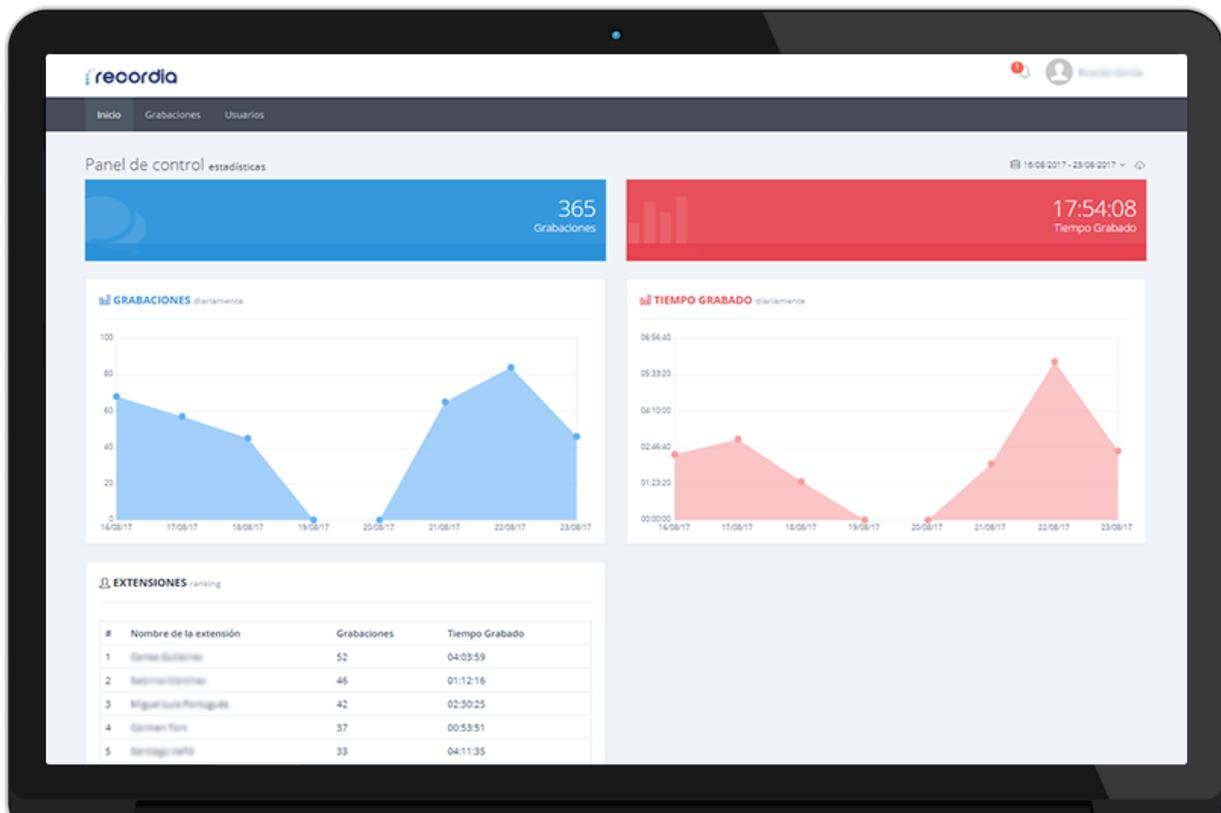


It imposed strict security regulations on European countries with the purpose of keeping financial markets transparent and safe for investors.

Under MiFID II, companies in the financial sector are obligated to record and store interactions for at least 5 years, in a way that is searchable and easily accessible by the corresponding authority (similar to the Dodd-Frank Act).

As with GDPR, MiFID II will also have an impact on a lot of US-based companies, especially if they have an EU sub-advisor, an EU affiliate, or if they are trading in EU securities on an EU regulated market. Contact us for more information.





How can Recordia help?

Recordia is a cloud-based call recording solution designed to keep track of office communications, and store them for an unlimited amount of time on the cloud.

Its functionalities include:

- **Long-term storage** of recorded calls and communications;
- Automatic **transcription and translation**;
- **Scalable cloud capacity** that responds to the changing needs of the customers;
- Storage for **5+ years** in compliance with MiFID II;
- **Audit and log capabilities** for full traceability in compliance with GDPR;

Recordia is perfectly adaptable to the particular needs of each company.

Additionally, it can be equipped with Speech Analytics and Machine Learning technology so that your company can analyze interactions and discover trends.

Security

- **Fully compliant** with MiFID II and the GDPR, among other regulations;
- **Hash comparison** check for the authenticity of call recordings;
- **Data encryption** and secure connection protocols.



about Cloud Worldwide Services

Cloud Worldwide Services is a leading provider of SaaS applications and enterprise-level cloud solutions with more than 20 years of international experience in the high-tech industry. As an innovation-driven company, its mission is to help companies undergo a powerful digital transformation by leveraging advanced cloud technologies and disrupting customer interactions.

For additional information about us, visit cloudworldwideservices.com
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