



Furnishing Callers with a Better Experience

IKEA's German unit installs an IVR to reduce call times | BY ERIC BARKIN

IKEA Germany imposed a high standard for its contact center: to keep at least 80 percent of its calls to under 30 seconds. The home décor retailer was failing to do so, and, according to Ingo Bors, a consultant with IboStar Consulting Services and project leader for IKEA's speech integration, the reverse was true. As many as 80 percent of all calls lasted several minutes. The problem was especially bad during peak buying seasons, like the Christmas holidays, when users also had to wait on hold. These delays were leading to lost calls and possibly lost business.

Under Bors' direction, IKEA contracted with Excelsis Speech Software, a German reseller of Voxeo's VoiceObjects solutions, to build a voice portal into IKEA's German contact centers.

IKEA Germany operates two call centers with a staff of about 150 agents. The two centers support all of Germany's 44 stores, handling both customer service and home shopping purchase orders.

To combat the problems it was having with call times, IKEA looked at staffing changes, work-force planning, and greater call automation. With call automation, in particular, IKEA's German operation knew it could achieve significant call time reductions. Many incoming calls were from customers wanting to know if certain products were in stock at their local IKEA store. IKEA had an automated dual-tone multifrequency (DTMF) system in place to handle these customers, but it required customers to key in the product number from a catalog, something many callers didn't always have. IKEA reckoned it could take as much as 10 percent to 15 percent of calls out of the agent queue by providing an automated, voice-driven search option that would allow users to find products on their own.

IKEA began scouting vendors that could build such a search option and tapped Bors to help lead

that process as well as a general overhaul of its call centers. Its chief demands for the self-service, voice-driven portal were twofold:

- The speech platform had to be able to integrate with IKEA's existing Nortel Networks infrastructure and back-end systems; and
- The vendor's way of working had to fit organically with IKEA's own corporate culture and philosophy.

Both demands were absolute musts for the project, and difficult challenges. From a technical standpoint, IKEA's back-end was expansive, Oracle-based,

and proprietary to boot. This meant the job would require hefty technical know-how. It is, however, IKEA's second demand that the company stressed with particular emphasis in its exploratory dealings with competing vendors.

"IKEA has a very specific vision of the world," Bors says. "When they do business, they focus on whether they feel good about the people they're working with."

Bors explains that the spirit of functional, modular design and self-reliance that drives IKEA's low-cost products—many of which have to be built by their purchasers at home—also permeates the company's corporate culture. The company took a broad view; it was looking for a provider that was, above all, flexible, giving the company room to expand the system as needs change, and capable of giving IKEA a lot of control on its end.

SPEECH ON TRIAL

In its trial period, the company asked five vendors to provide proofs-of-concept of a voice-driven stock availability checking application. IKEA then asked vendors to make changes based on what they saw and noted how those vendors adapted to IKEA's requests.

"It wasn't the details of the techniques [vendors] used but the way they adapted to needs," Bors says. "[Excelsis] was the perfect match we were looking for, not necessarily the best application. We were looking for the vendor who made the best use of the knowledge they gained from IKEA."

Even though one of the contenders in the process was another Voxeo reseller, it was Excelsis that wowed IKEA. "They had the right feeling, the right way to address the decision-makers personally," Bors remembers.

It also helped his and the company's decision that Voxeo and Nortel had a licensed interface.

Once the vendor was selected, the voice portal project still had many chal-

lenges awaiting developers. Due to a change in resource priorities, the voice portal was shelved from August 2007 through March 2008. This made it difficult to start again, particularly because it had to be completed very quickly after a long hiatus. "It was like from zero to 100 in nothing," Bors recalls.

"The team was very enthusiastic though—the IKEA team and the Excelsis team," he adds. "So we really met the expectations in a short time, setting up the specifications for the voice user

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interface. This took about four weeks to set up.”

One major challenge facing the teams in those early days was the organizational scope of IKEA's inventory. The company has around 5,000 items in its database, each with its own varying elements, like size and color, that add up to permutations of more than 10,000 distinct items. On top of this, all of the names (like Framst , Leirvik, and Sultan Harestua) are in Swedish and, as such, can have three, four, or five common pronunciations from Germans struggling to say them. Further still, each name could represent various kinds of furniture in the same family (e.g., a matching table and chair). All had to be accounted for in the system.

On the technical end, there were also problems in patching together the VoiceObjects platform with the IKEA proprietary Oracle back-end. Many of these, however, were ironed out by October 2008, when the complete menu structure, with the exception of the voice-driven inventory checker, was put in place. The VoiceObjects platform included information about the

store, order information, general information, and service claims. The difficulties with the checker were ironed out by January 2009, when the entire system was put into place. It was made available for public use one month later in February.

Since then, as was expected, the voice portal, along with a number of other improvements IKEA has implemented in its contact centers, has "dramatically reduced" call time and increased availability. The program has been such a

success that IKEA is considering rollouts in other markets, like Spain, Switzerland, and the Netherlands.

"If you invest in infrastructure, you need to have a future-proof platform that can extend to other services," Bors says.

For the time being, it seems IKEA is thrilled with the results. "This innovative solution is a perfect match for IKEA's philosophy of making everyday life better for people," Hans Schauer, manager of the service center for IKEA Germany, said in a statement. "The new voice portal focuses on the customers having access to information on how to shape their personal space—seven days a week, 24 hours a day." ☒

➔ App At a Glance

SINCE IMPLEMENTING VOXEO'S VOICEOBJECTS IVR PLATFORM IN ITS GERMAN CALL CENTERS, IKEA HAS BEEN ABLE TO:

- reduce call time;
- increase agent availability; and
- provide customers with information 24/7.