

Saks Incorporated

Carrying a tradition of excellent service into the electronic age

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Warren Haslauer

*Vice President, Credit Operations
Saks Incorporated*

The Company

Saks Incorporated currently operates Saks Fifth Avenue Enterprises (SFAE), which consists of 53 Saks Fifth Avenue stores, 50 Saks Off 5th stores, and saks.com. The company also operates 62 Club Libby Lu specialty stores.

The Business Challenge

- Create a segmentation strategy for high-value customers and continue improving customer loyalty
- Preserve brand recognition for retail divisions
- Better manage call volumes across contact centers

The Solution

Saks Incorporated chose several applications from Aspect Software to address its business challenges, including Aspect® CallCenter® ACD and Aspect® Contact Server™ from the company's Signature product line.

The Results

- Increased calls handled by 16 percent without adding staff
- Created priority service for premier customers
- Reduced average time to answer from 45 seconds to one second for premier customers
- Decreased staffing expenditures
- Improved agent training process



“Productivity increased by 40 percent, saving Saks more than US\$1 million in payroll costs.”

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Mention the name “Saks,” and most people think of the renowned specialty store on Upper Fifth Avenue in New York City, which has long been an icon for quality and extraordinary customer service. But today, Saks Incorporated encompasses much more than the chain of retail stores that bears the Saks name. Now, the company operates more than 200 stores under different brand names. Operating such a vast enterprise and still maintaining the standard that built the reputation of the original store is a challenge—one that Saks is meeting with the help of Aspect Software.

Customer Relationship Management (CRM) is particularly important to Saks. Since Saks Fifth Avenue opened its doors in 1924, the company’s reputation has been built on creating a positive experience that brings customers back again and again. But retaining customers and nurturing loyalty in the electronic age requires a new, more comprehensive CRM strategy.

“Customers today want more from their interactions with business,” says Warren Haslauer, vice president of Credit Operations at Saks. “They want, and expect, premium service, personalized attention, and the convenience of online service. Most importantly, they want businesses to remember them, whether the transaction was in person, via phone, email, or on the Web.”

Putting Contact Center Technology at the Heart of Customer Relationships

To deliver on these evolving customer expectations, Saks Incorporated turned its three contact centers—in Mississippi, Illinois and Maryland—into a single virtual contact center by means of Aspect® CallCenter® ACD, a high-volume call routing solution from the Aspect Software Signature product line. Using an option to Aspect CallCenter ACD, the IP Network InterQueue, Saks can link the three mirrored sites for intelligent call routing and load balancing. Plus, enterprise reporting makes it possible to manage the three locations as a single resource for optimum efficiency and productivity.

But the beating heart of the comprehensive solution is Aspect® Contact Server™, enterprise CTI with a business communications platform that links enterprise resources, coordinates customer transactions and unifies business functions to make the contact center the crucial component in an effective customer relationship strategy.

Offering the Best Customers the Best Service

With the first phase of the implementation complete, Saks Incorporated is already receiving value from its investment. The first step was updating the company’s Credit Operations contact center in Jackson, Mississippi, where 200 trained associates handle transactions, such as new accounts, authorizations, customer service and collections for five of the Saks divisions.

Until recently, the center relied on a private branch exchange (PBX) to route customer contacts. But dramatic growth over the last three years made the PBX functionality obsolete. So Saks Incorporated replaced it with Aspect Contact Server and Aspect CallCenter ACD. Two features of the Aspect Software solution— skills-based routing and data-directed routing—enable Saks to personalize service for its “gold” customers, identifying them by DNIS to put them at the head of the call queue and route their calls to a select group of agents.

With the average speed of answer (ASA) down from 45 seconds to fewer than eight, the more precise routing benefits all of Saks’ credit customers. But for the gold customers, who spend more than US\$2,000 each year, the priority routing keeps ASA at one second flat.

“Aspect Contact Server is an efficient way of identifying our best customers and giving them special treatment,” says Haslauer. “We truly are giving premium service to our best customers.”

Another advantage stems from the capability of Aspect® Contact Server™ to integrate with Saks' third-party voice response unit (VRU). Customers who want to check their own account balances are transferred to the VRU, where they enter account numbers. But if a customer then wants to be transferred to an associate to ask a question, the account number travels with the transferred call, eliminating the frustration of having to repeat the number and giving customers the satisfying feeling of being recognized.

Making the Most of Human Capital

Premium service depends on premium agent skills, and Aspect Contact Server helps Saks Incorporated develop its staff. For one thing, skills-based routing makes it possible to get new associates into action more quickly. A single pool of associates performs multiple functions, and training a new associate in every function takes time. Instead of waiting until a new employee is fully qualified, Credit Operations teaches one skill, such as credit authorization, and uses Aspect Contact Server to ensure that only authorization calls are routed to the newcomer. Then, as training progresses, the associate can be added to other groups that handle other transactions.

Skills-based routing also contributes to the special treatment gold customers receive. Exceptional associates are identified using data collected by quality-monitoring software. Then skills-based routing ensures that gold customers are served by agents in the top 25 percent of the performance pool.

Supporting a Strategy of Expansion

Aspect Contact Server also helps to advance the company's business expansion strategy to acquire other retail chains while retaining the brand equity of its original names. When a call arrives in the Jackson contact center, DNIS identification enables the Saks associate that handles each call to know which account or retail division that the customer is calling in reference to. The associate answers with the name of the division, no matter where the customer's division is located.

Aspect® CallCenter® ACD also makes it possible to play recordings for promotions and special events unique to each division. This helps preserve the brand equity of the divisions and ensures that customers get a consistent experience whether they walk into the store or call the Credit Operations Center.

The 80-plus percent reduction in ASA also contributes to the business strategy. Haslauer points out that the improved performance of the Jackson contact center translated into a surplus in staff—a surplus that enabled Saks Incorporated to execute its next acquisition and improve service levels without increasing staff. Haslauer has facts to back up his confidence.

The Jackson Credit Operations Center was able to handle over 16 percent more calls without adding a single staff member. Productivity increased by 40 percent, saving the company more than US\$1 million in payroll in the one center.

Finally, Haslauer cites the flexibility of the intuitive, administrative graphic tools within Aspect CallCenter ACD for creating business-rules-based call flows as a major business benefit. "We can make any changes we want to any of our call flows," he says. "This tool lets us do our business any way we see fit, without limitations."

About Aspect Software

Aspect Software, Inc., the founder of the contact center industry, is the world's largest company solely focused on providing proven, innovative contact center products and services that enable the key business processes of customer service, collections, and sales and telemarketing. Each day, thousands of in-house and outsourced contact centers around the globe conduct more than 125 million customer interactions using Aspect Software products. Aspect Software believes in using the power of technology to positively transform the customer-company experience. That belief has led Aspect Software to accept the challenge of developing the world's most reliable automatic call distributors (ACDs), most trusted dialers, most widely-used and respected workforce management (WFM) solutions, most flexible voice self service systems and the industry's first and most comprehensive unified, multichannel contact center solution. Headquartered in Westford, Mass., Aspect Software has operations across the Americas, Europe, Africa, the Middle East and Asia Pacific. For more information, visit www.aspect.com.

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