THINKING OUTSIDE THE BOX IN CUSTOMER SERVICE

Case Study Big Lots

BIG LOTS Providing More for Less with ODT VISION Voice Response Units

BRAND NAMES. CLOSEOUT PRICES.

By Kirk Smith, Manager, IT Data Center Services Big Lots

Big Lots is the Largest broad-line close out retailer in the country. Headquartered in Columbus, Ohio, Big Lots is a Fortune 500 company with annual revenues exceeding $3.8 billion. Their stock is traded on the New York Stock Exchange under the symbol BLI. They currently operate nearly 1,400 stores in 45 states, which includes more than 45 freestanding Big Lots Furniture stores. In addition, over 680 of their closeout stores have furniture departments.

Big Lots has a sophisticated distribution and transportation system with four major distribution centers and more than eight million square feet of space. A fifth distribution center near Durant, Oklahoma is under way and will be completed in 2004. Big Lots current distribution center locations include: Columbus, Ohio; Tremont, Pennsylvania; Montgomery, Alabama; and Rancho Cucamonga, California.

Visit **www.BigLots.com** to learn more about Big Lots Corporation

Phase 1

The Big Lots Traffic Department had a number of logistics applications where freight companies as well as the truck drivers themselves were calling in to live attendants. Items such as scheduling or inquiring on warehouse dock appointment times, canceling appointments, getting directions, and checking on the status of dropped off trailers were just a few of the questions that were posed to the associates of the department thousands of times a week. Big Lots knew that in order to maintain a high level of service coupled with an aggressive growth rate, something had to be done to automate this process. A demonstration was presented on July 31st, 2000 that showed one of the applications to be included in this first phase.

A brief demonstration of the

ODT VISION VRU system was given to the management committee. Things such as low cost of ownership, ease of customization, seamless interfaces with the AS/400, as well as complete audit trails for performance and usage analysis were just a few of the strengths of the VRU system. It was a unanimous decision from the committee to pilot a project in the Traffic Department to leverage the strengths of the system.

Big Lots took delivery of their first unit on September 20th 2000. This unit was set up to answer incoming calls from truck drivers via their cellular phones and logistic personnel. The IT staff was able to design, code, and implement the first part of the project within days of receiving the system. "We were extremely pleased at how quick the code customizations were performed and how well it fit with our AS/400.", stated Kirk Smith, Manager, IT Data Center Services. "Being able to take a system from development to implementation in this short period of time is virtually unheard of in the IT

"The MIS staff was able to do their own development and were pleased at how quickly this customization was completed. They also built into this script a complete audit trail via log files for report generation.

"Big Lots is the quintessential client, proving that the ODT VISION VRU can be easily customized by the client to meet their ever-changing business needs. " Terry J. Rogers, President Ohio Data Transfer

world." The Big Lots development team also built into the script a complete audit trail via log files. These log files are uploaded daily to the AS/400 where a variety of query reports are created. At any time, Big Lots could report the number of calls that the unit had answered, what part of the system was used, and most importantly, the number of callers that opted to transfer out of the unit to live personnel.

In the first year, the unit took over 81,000 phone calls for less than the cost of one new employee. The unit had an instant ROI.

Next Application

With the great success of the ODT VISION VRU in the Traffic and Logistics applications, the IT staff next applied this solution to the Accounts Payable Department where the associates were constantly on the phone answering hundreds of daily inquires from vendors all over the world. This unit now takes about 40,000 calls a year from suppliers, which no longer require human assistance, thus improving the overall efficiency of the department.

In the past 3 years

Like many companies, Big Lots chose the ODT VISION VRU for it's low cost, but fell in love with the unit for the ease of customization, ease of system administration, scalability, and line monitoring. By using their own log reports, the IT staff is able to determine best usages for their units. Over time, additional applications are now

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handled by this technology including Store Deliveries, Help Desk, and a complete Associate Survey System.

Get Real

One of the more interesting applications at Big Lots is an employee Safety and Shrink Awareness Program entitled "Get REAL" This is an employee survey, which is simple in scope and nature, consisting of four questions geared toward reducing shrink and theft as well as creating a safe working environment. "Keeping the associates sharp on this type of information is important. It is a great way to interact with the employees individually and distribute current information from the corporate level." says Kirk Smith. "Amazingly, this system is now taking about 30,000 calls a month."

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What's in the Future

With three units running 24/7, Big Lots' ODT VISION VRU Units currently take in excess of 45,000 phone calls a month. Big Lots prides itself in "Bringing Brand Name Products at Close Out Prices." They must watch the costs in all areas to achieve this mission. The ODT VISION VRU has proven to be a significant tool to achieve this. In the past three years, we are averaging an addition of about 12 lines a year as line capacity or new applications require. Kirk Smith states, "We are always looking at new ways to use our units and to continue to leveraging the power and efficiency of this technology." By using a combination of their own VRU usage reports and the built in graphical line capacity utility, the number of lines for each application and what areas that need to be changed are constantly being monitored. The Voice Response Systems allow Big Lots to provide low cost customer service and address 24/7 needs without expensive labor costs. By lowering and maintaining existing personnel budgets, Big Lots

Go to www.ODT VISION.com to get your own demonstration of the ODT VISION Voice Response Unit which will run on any Windows based PC of Windows 98 or later with sound card and speakers. This is a simplistic order entry and shipment status system which is running off a Microsoft Access database. The demo is in the test mode and you will be using the "Test Phone" feature of the ODT VISION VRU to simulate a phone call to the data.

Manuals and case studies are also available on the web site.

existing personnel budgets, Big Lots can provide their products at their retail stores for low prices, which their customers appreciate.

This gives Big Lots a competitive edge in today's tough retail market by providing more for less.

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Their units now take over 45,000 phone calls a month and have proven the

"Low Costs of Ownership"