

INTERACTIVE INTELLIGENCE



Walgreens Deploys Multimedia Queuing for Reduced Costs and Improved Productivity

CASE STUDY

About Walgreens

Walgreens is a national retail pharmacy chain considered the leader in innovative drugstore retailing. The company has more than 4,000 stores nationwide and plans to grow to 7,000 stores by 2010. Walgreens was founded in 1901 and is headquartered in Deerfield, Illinois. It employs more than 140,000 people. Fortune Magazine named Walgreens its Most Admired Corporation in America, ranking it third in employee talent and second in quality of management.

The Problem

In conjunction with its existing Remedy help desk solution, Walgreens' corporate Help Center used several stand-alone systems for automated call distribution, voicemail, interactive voice response and call monitoring. The ACD was an inbound-only solution that was used to receive calls from employees needing assistance with problems about store systems.

In 1998, the Help Center added a Web-based alternative. This Web-based alternative proved extremely popular with store employees and, almost overnight, half of the support tickets submitted from thousands of stores began to come in over the Web. While popular among the stores, this solution created inefficiencies and additional labor for routing Web tickets.

The Help Center could not route Web tickets the same way ACD phone calls were routed and they did not want to add a separate system. Critical problems were not identified, thus the most important issues were not always addressed first. Manual procedures had to be put in place to log both phone



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and Web transactions. Remedy trouble tickets were also manually assigned to agents making them prone to error. Multiple agents often worked on tickets for the same store and there was no way to assign phone calls and Web tickets to a single agent.

"We needed an integrated solution that would help keep our support costs down," said Ross Talbot, Walgreens' Help Center Manager of System Support and Development. "We also needed a solution that would enable us to efficiently route trouble tickets received either by phone or over the Web, and we needed a way to automatically generate agent productivity statistics from both sources."

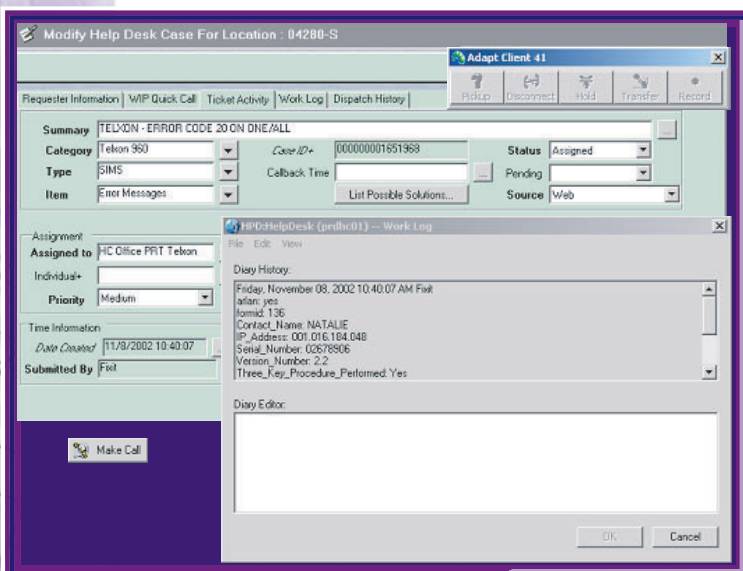
The Solution

After an extensive RFP process and a review of more than 10 vendors, Walgreens selected *Customer Interaction Center*® (CIC) from Interactive Intelligence Inc. CIC was an all-in-one software product designed to offer reporting features, customization tools and multimedia queuing through one central, rules-based engine.

"Unlike many other products we reviewed, CIC used a single platform to route tickets created via multiple media types," Talbot said. "This was a major distinguishing factor for us because it meant we would not have to duplicate functions, thus needlessly adding to the cost and complexity of our system."

To help with the installation and configuration of CIC, Walgreens enlisted Adapt LLC (www.teamadapt.com), a Chicago-based computer telephony integrator. Working with Adapt, Walgreens went live with a fully integrated multimedia queuing and reporting solution that prioritized and routed phone calls and Web tickets from the same queue. Adapt also integrated Walgreens' Remedy system with CIC for screen pop functionality. "I can't say enough about Adapt. They are great people to work with and they did a fantastic job," Talbot said.

CIC's unique architecture is positioning us to achieve virtually whatever customer service objectives we set for the future—now that's true investment protection."



CIC is designed to tightly integrate with a variety of CRM, Help Desk and other third-party applications, offering embedded call control buttons and virtually unlimited customization options.

Due to the success of the initial deployment, Walgreens quickly added more functionality, including automatically scheduled call recordings, presence management, workgroup status reset capabilities, new IVR capabilities for field operations, and new attendant capabilities.

In June 2003, Adapt helped the company expand its call center to a second facility located hundreds of miles away. Using CIC's remote workstation capabilities, this second facility functioned as a transparent extension of the main call center.

Today, CIC supports more than 105 Help Center agents located at both sites. The Walgreens 24x7 Help Center processes more than 2,000 trouble tickets per day from more than 4,000 stores across the U.S.

The Benefits

"A leading technology consulting group recently said that companies should not purchase a system unless it accomplishes 60 percent of what you want it to do, then you can customize the rest," Talbot said. "CIC puts that statistic to shame! By replacing several disparate communications systems with CIC, we've been able to increase productivity, reduce ongoing maintenance and support costs, and improve overall functionality while retaining other core components of our infrastructure. We've also streamlined our vendor management by consolidating into one integrated solution."

According to Talbot, Walgreens has saved more than \$70,000 per year alone by eliminating the need to manually assign trouble tickets. The company has also reported productivity gains as a result

of the integrated screen pop functionality.

"The CIC and Remedy integration has increased the speed with which our agents can pick up calls by enabling them to now simply click on a flashing icon when a phone call or Web ticket is routed to them," Talbot said. "With CIC's

call control buttons embedded directly into the Remedy screen, our agents also save time during the call since they no longer have to switch between interfaces to look up information such as store location and problem history."

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“The Help Center as a whole cut the response time on critical tickets to under an hour, which allowed us to meet our service level goals for both phone calls and Web tickets.”

Talbot says supervisors are saving time too with the added feature of presence management, which allows them to see the status of all agents, and set alerts when status changes take place.

Other supervisory functionality includes the ability to attach and

create ad hoc messages to the front of the IVR, even from remote locations. According to Talbot, the ability to quickly and easily add customized messages to CIC's IVR has offloaded live agent call handling by about 1,000 calls each week.

Talbot says supervisors are also saving more than an hour a day through CIC's automated reset function that puts all agents back into the appropriate workgroups at close of business. CIC's call recording feature saves supervisors even more time, according to Talbot, by enabling them to simply pre-select an agent's name, date and time to record. The recordings are then automatically delivered to supervisors via e-mail so they can review them at their convenience.

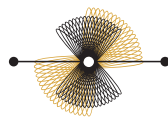
"The Help Center as a whole cut the response time on critical tickets to under an hour, which allowed us to meet our service level goals for both phone calls and Web tickets. Supervisors experienced a significant reduction in time spent using the reporting and monitoring features inherent in CIC," Talbot said.

Walgreens' field services personnel are also enjoying productivity gains. "Since customizing CIC's IVR menu options so our field personnel can open a trouble ticket, dispatch it, and close it, all without any live agent interaction, we've been able to reduce incoming calls by between 50 and 60 a day," Talbot remarked.

As a software-based, modular system, Talbot sums up CIC's advantages this way: "CIC's features are great, but the fact that we can add them as we need them without enduring forklift upgrades or adding entire new products altogether is what makes this product so special. CIC's unique architecture has helped us not only address our initial problems, but it's positioning us to achieve virtually whatever customer service objectives we set for the future—now that's true investment protection."

About Interactive Intelligence Inc. Powering the World of Business Interaction.

Interactive Intelligence Inc. (Nasdaq: ININ) is a global developer of software for IP telephony, contact center automation, unified communications, and customer self-service. The company was founded in 1994 and has more than 1,000 customers worldwide. Recent awards include Software Magazine's 2003 Top 500 Global Software and Services Companies, Network Computing Magazine's 2003 Editor's Choice, Internet Telephony Magazine's 2003 Editor's Choice and Product of the Year, and Customer Inter@ction Solutions Magazine's 2003 Product of the Year. Interactive Intelligence employs approximately 350 people and has 12 offices throughout North America, Europe and Asia.



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