



elitetele.com **SWYX**

WHITE PAPER

HOW RETAILERS CAN DRIVE
GROWTH WITH UNIFIED
COMMUNICATIONS



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Our technology is already helping some of the UK's largest retailers to enhance their customer communications across multiple locations and channels.

Ralf Ebbinghaus - CEO, Swyx

CONTENTS

- 04 Executive Summary
- 04 Facts & Figures
- 06 What is Unified Communications?
- 07 Top 10 reasons to adopt UC
- 08 Business benefits for retailers
- 13 Case Study - Yo! Sushi
- 15 Software-based UC versus hardware
- 17 About the Sponsors

EXECUTIVE SUMMARY

Over the last 10 years the face of retail communications has changed irrevocably. The traditional phone system used to be managed as a separate entity, away from the rest of the IT, but has now converged with the arrival of VoIP and unified communications.

What's more, with the advance of the internet and other technological developments such as e-commerce, Wi-Fi and high speed connectivity, there has been a shift in the ways in which consumers want to communicate with retailers, with new multi-media platforms such as mobile and social media taking centre stage.

However, since there is still much ignorance over unified communications within the industry, (research commissioned by Elite Telecom & Swyx with Retail Week magazine) this whitepaper discusses the key business challenges for retailers and how such technology can help meet the needs of modern customers and contribute to increased sales and growth.

FACTS & FIGURES

- 80% of global businesses are implementing some form of unified communications over the next two years (source: Ovum)
- Over 60% of retailers lack understanding of unified communications
- The biggest driver for retailers adopting unified communications is to improve customer service, followed by reducing overheads
- The key trend for retailers is to be able to support multi-media (e.g. social media/web chat)
- 49.4% of Retailers plan to adopt unified communications in the next 2-3 years

Source: Survey conducted via Retail Week co-sponsored by Elite Telecom & Swyx – to download the full survey visit www.elitetele.com/retail





80%

OF BUSINESSES WILL BE IMPLEMENTING UNIFIED COMMUNICATIONS IN THE NEXT TWO TO THREE YEARS (OVUM, 2013)



69%

OF RETAILERS ARE NOT AWARE OF UNIFIED COMMUNICATIONS



3.6%

RETAILERS CLAIM THAT THEY WILL NEVER IMPLEMENT UNIFIED COMMUNICATIONS

WHAT IS UNIFIED COMMS?

Unified communications (UC) is the consolidation of all communications and networking resources; such as telephone, server-based applications, voicemail, email, IM (instant messaging), video or conferencing into a single infrastructure.

Therefore, regardless of whether a company is based at a single site or spread across several geographical locations, multiple site users become part of one single network. This means that they are able to log-in at any desk with their own unique user ID, no matter where they are in the world. So, whether at home, overseas or on the road, everyone has access to the same communication that they would enjoy in a conventional office or retail outlet.

In a retail environment, where there are multiple sites and channels over which customers and employees communicate, unified communications has the potential to not only drastically improve the overall customer experience but also to deliver significant cost-savings and the flexibility to move and adapt quickly to technological changes in a dynamic market place.

WHY SWITCH?

Here are the top 10 key commercial reasons why retailers should seriously consider an investment into UC:

1. Improve customer service & reduce churn
2. Increase sales/revenues
3. Reduce overheads
4. Win greater market share & increase value of company
5. Differentiate from your competition
6. Enhance brand credentials
7. Decrease wage bills
8. Improve staff well-being & reduce turnover
9. Speed up expansion plans
10. Boost green credentials



BUSINESS BENEFITS FOR RETAILERS

Due to the huge range of UC applications, every retailer may have a different set of challenges that they can solve using the technology.

In broader terms though, here are some technical features that UC provides, compared with a traditional old-fashioned phone system:

- Routing of calls automatically to different stores, outlets and/or roaming staff using single number concept
- Unified Multi-Media Messaging (UM) –all messages easily accessible from a single point, regardless of type e.g. voice message, IM, Social Media, Web Chat etc.
- Full integration of communications with other systems (e.g. CRM/stock/EPoS/CCTV/accounts/cloud etc.)
- ‘Rich’ Presence Management enables you to see the status of others on-screen e.g. ‘engaged’, ‘in a meeting’ etc.
- Secure Real Time Messaging (IM – Instant Messaging)
- Conferencing & collaboration between different sites/mobile workers
- Fixed Mobile Convergence (FMC)* so calls can move from mobile network to the fixed network on the same phone without interruption. Users on the move (e.g. manufacturing/retail) can also take advantage of IP DECT phones

However, to make sense of these features you

need to apply them to a range of typical business and operational challenges that retailers face to see how they translate into real benefits.

IMPROVE CUSTOMER SERVICE & COMPETITIVE EDGE

An ICS (Institute for Customer Service) study revealed that UK firms fear losing 10% of their customer base over the next three years.

Meanwhile recent research revealed that 39.3% of retailers that would consider deploying unified communications would be directly driven by the need to improve customer service.

Keeping customers happy is paramount to any business, particularly in retail, where churn can be exceptionally high, it is essential to **find ways you can enhance service, retention and loyalty.**

For e-businesses this can be even more critical, as **consumers have a short attention span** and will simply go elsewhere if no one is around to respond. When a shopper calls or starts a web chat with a query, they expect it to be resolved there and then, not to be called back later, when they have already made a purchase elsewhere.

Rich Presence combined with intelligent call routing can help to achieve **‘first call resolution’** where possible, as the receptionist knows exactly who is available and whom to route calls to. By linking presence information with key business applications such as calendar functionality you can identify times when someone (or community, e.g. a sales department or customer care line) is available and how best to contact them.

*In a recent survey undertaken with Retail Week readers, 33% stated that mobility and fixed mobile convergence trends will have the biggest prominence throughout 2013.

DOWNLOAD THE FULL SURVEY: WWW.ELITETELE.COM/RETAIL

INCREASE SALES WITH PERSONALISED CUSTOMER COMMUNICATIONS

The beauty of a software-based UC solution such as Swyx is that **because it acts like an ‘app,’ it can be fully integrated with any other critical applications** that you have including; stock, ERP, billing, EPoS, Tills, CCTV, Web, Chip & Pin, CRM and so on. The result is that all your communications are in sync with everything else that’s going on in your business.

So if for example, you are speaking to a customer about a delivery then information on its status will be instantly displayed on-screen for that caller. This ‘joined up’ level of communications gives you the ability to engage in highly personalised conversations with customers, that in turn make them feel valued, resulting in **repeat business**.

By integrating your phone system with the rest of your back office applications it is possible to tailor your communications depending on the customer. For example, with UC **it is possible to flag important customers**, to the same individual or branch that they would normally request to speak to or even escalate the call, so they are not left holding in a queue.

Some software-based UC solutions such as SwyxWare even allow you to configure your calls so you can ‘pop-up’ web-based information dependent on who is calling. For example you might want to **incorporate ‘Buying history,’ ‘Special Discounts’ or a specialist ‘RSS feed’** from your sector, allowing you to draw on specialist information that could be pertinent to the conversation.

The ability to treat customers as individuals and truly personalise communications and offers, will not only give you the **ability to up-sell/cross-sell successfully**, but also makes them feel more valued.

REDUCE OVERHEADS ON REAL ESTATE

E-tailers are more likely to take advantage of **supporting a virtualised workforce**, with minimal premises or warehousing. In the past it has been

more difficult to support home or remote working, as normally this involved using two or more different communications platforms that were not integrated. If an employee was working from home or from another location it was impossible to connect them to a client or colleague without dialling another number and hoping they would be there to pick up. However, with rich presence you can see immediately when and how you can communicate with the remote employee. This makes it much easier to chat or set up virtual ‘face-to-face’ meetings between colleagues and customers regardless of their location.

By offering the option for workers, where applicable, to operate away from the office, you can reduce your property overheads too. **With concepts such as ‘hot-desking’ you can dramatically reduce your office space**, because on average the number of people there at any one time will be a fraction of what it was when every individual had their own dedicated desk.

A survey of 500 decision makers by mobile phone giant, Vodafone, revealed that British businesses can save up to £34bn a year by freeing up desk space and reducing overhead costs when workers aren’t present in the office. The potential colossal saving is based on the average cost of a desk standing at £5,746 – far higher than most businesses think. A fifth of firms using office space further said they could lose up to 46 desks by encouraging remote working.

With UC, every remote employee has the same access to communication and third party applications as those back at head office or regional outlets. Location is simply not an issue - it’s just as if they are sitting across from a colleague in the same room.

SELL AROUND THE CLOCK ACROSS MULTIPLE TIME-ZONES & INTERNATIONAL MARKETS

If you operate or wish to operate across different countries and/or timezones, then UC can really help you to **enhance communication between international teams and customers overseas, it also allows you to make better use of resources.**

Rich presence enhances cross-continent collaboration instantly by letting you know whether a contact is 'away', 'busy', or 'available'. You can also use extended call routing to switch enquiries from one resource to another. So for example if you want to take advantage of a global market, **you can sell online or on the high street, around-the-clock in different territories**, with each shift being taken care of by a different call centre or even home-based workers.

REDUCE YOUR HR BILL HIRE EMPLOYEES ON MERIT RATHER THAN LOCATION

UC means that in some cases where the physical presence of employees is not required i.e. non-face-to-face customer service, **location is no longer a barrier to finding suitable staff**. These type of staff can just as easily work from home, somewhere in between or even in another country! This means you have greater freedom to choose who you employ and potentially contribute to a lower salaries bill.

MINIMISE DOWNTIME

According to the ONS (Office for National Statistics) when the UK last experienced severe weather during 2010, the economy experienced a 0.5% drop in GDP.

Whether you operate on the high street or on the internet, you need a contingency plan in case of unexpected events that can prevent staff from getting to work. Issues such as severe weather, transportation or fuel strikes can all lead to loss of business.

Again UC can play the 'location-independent' card, enabling staff who do not need to be face-to-face with customers to work from home. Imagine for instance you run a call centre that takes sales orders and manages customer care. If snow stops your staff getting in, then you are not only likely to miss out on a significant number of calls but also a substantial amount of revenue and customer goodwill.

RATIONALISE IT & TELECOM COSTS

With UC and in particular VoIP (Voice over IP) **you can make clear cost-savings on call charges and line rental**. If you have more than one site, then you can immediately reduce expenditure by centralising your communications and getting rid of all your individual BT lines and the associated costs. What's more any phone calls between sites are FREE, because they are on the same network.

The on-going expense of calling out a third party support engineer to arrange moves and changes to the phone system can also be almost eliminated because these can be done easily in-house.

FASTER ROLL-OUTS OF NEW SITES


By migrating all your communications to your IT network, UC means that you have complete control when it comes to setting up new numbers and extensions when you want to open additional premises or sites. Delays in new openings have a direct and immediate impact on your bottom line, so you are no longer at the mercy of third party telecoms providers who can risk jeopardising your goals..

RESPOND QUICKLY TO CUSTOMERS ON ALL CHANNELS

41% of retailers stated that social media and other multi-media channels will be the biggest trend in the retail sector over the next 12 months.

With consumers communicating and/or accessing information on a range of devices and platforms, from smartphones through to laptops, retailers need to be able to react to requests quickly and in a way that is conducive to the customer. For example one customer may want to make a restaurant booking via the phone whilst another may want to use an app on their mobile.

With the flexibility of UC that fully integrates with any relevant back-office systems, you have the power to provide joined up communications over a choice of mediums, at any time - from the old-



-fashioned dog and bone through to responding to a Tweet or Facebook post.

CUT TRAVEL EXPENSES

Replace unnecessary group or one-to-one meetings with built-in high resolution video or audio conferencing. The number of regular branch site visits can be reduced and time and travel costs reduced.

REDUCE COST OF IT OWNERSHIP

With a combined telephony and IT network you will invest less in overall equipment and you will also reduce the cost of on-going technology roll outs and day-to-day support and maintenance. For example if you can deploy new updates/software across all sites at the same time, rather than in series, costs are saved, downtime reduced and overall productivity is increased.

By integrating your UC capability with smartphones such as iPhones, Android devices or DECT phones, you could eliminate desktop phones altogether, being replaced by just a single mobile communications device.

BECOME MORE AGILE & COMPETITIVE

According to research from Retail Futures 2018, Centre for Retail Research, a fifth of Britain's high street shops - 62,000 - are set to close by 2018.

By moving to a single network and a centralpoint of control, not only do you streamline your business processes but you can react quickly to changing business needs. More now than ever, it is a retailer's ability to adapt to new environments that will be the difference between success and failure.

With UC, it becomes much easier to adapt to changes or threats in the marketplace, so you can re-configure your communication system or give more workers access to new information and/or applications that will make them more productive and/or competitive.



“ The implementation of the Swyx solution has been a great success, we have dramatically reduced our telecommunications costs and improved our overall efficiency.

Billy Waters - IT Manager, Yo! Sushi

CASE STUDY - YO! SUSHI

YO! Sushi is one of the world's fastest growing restaurant chains. Established over 15 years ago by entrepreneur Simon Woodroffe, YO! Sushi specialise in delivering high quality, Japanese style 'Sushi' food to its customers via its now famous conveyor belt system.

THE BUSINESS CHALLENGE

DOUBLING THE SIZE OF THE BUSINESS, REDUCING OVERHEADS AND OVERCOMING THE LIMITATIONS OF AN UNMANAGEABLE AGEING TELEPHONY SYSTEM.

As the number of restaurants increased it became apparent that the company needed to implement a technology solution that could embrace all their operational activities, such as credit card processing, Electronic Point of Sale (EPoS), telephony and data into a single IP based network.

This would provide a number of benefits, including the ability to manage the whole of the IT network as a single entity, a massive reduction in BT line costs, the ability to converge its entire workforce onto a single telephony network, and reduce the mobile phone costs of regional managers and other employees who needed to travel between outlets.

The key technical challenge however was the restaurant's incumbent traditional circuit-switched telephone system which was designed to work autonomously and therefore could not be integrated into a single managed solution.

IT Manager at YO! Sushi, Billy Waters explains the problem, *"At the time we had 20 outlets, located mostly around the London area and each one had a key system installed which was linked back to our head office via BT exchange lines. For example a typical restaurant would have two lines for the telephony, one for the fax, 2 for the credit card processing plus an ADSL line.*

Furthermore, as the key systems became older they became more and more support-intensive, every time there was a problem or we needed to reconfigure an extension it required a site visit from a third-party maintainer. The on-going costs

of the line rental and telephony maintenance was becoming a significant overhead to the business and as we had plans to double the number of outlets within two years this was an appropriate time to review our overall telecommunications strategy."

He continues, *"We had successfully rolled out an IP network to all our restaurants to encompass our EPoS and credit card services and we wanted to leverage this investment to accommodate our telephony traffic as well. Our telecommunications partner GP Network Solutions Ltd (now Elite Telecom) understood exactly what we were trying to achieve and introduced us to Swyx, a unified communications solution that was based purely on IP and could be integrated directly into our servers located at head office."*

THE SOLUTION

A SOFTWARE BASED UNIFIED TELEPHONY SOLUTION

Waters explains the selection decision, *"There are a number of excellent IP based products on the market, however what we liked about the Swyx solution was that it is based on software licenses rather than hardware, therefore in an expanding operation such as ours, rolling out new users would be straightforward and could be handled centrally without third-party support. Furthermore, it was very easy to use, and other options such as teleconferencing, auto attendant, and its script*

editing features were included within the basic price making it not only a compelling technical proposition, but also very good value for money.”

Another benefit of the **Swyx** solution provided was its ability to be configured as an inbound call centre solution able to centrally handle all of YO! Sushi’s telephone home delivery orders. Waters explains, *“In the past customers who wanted to order meals for home delivery had to call their nearest restaurant, place an order and either collect or wait for their meal to be delivered. This worked well, however at busy times the restaurant staff would spend too much time on the phone servicing our off restaurant clients. To solve this we had originally used an outsourced call centre, but the costs of this operation were very high and we had to invest a lot of time ensuring that the third-party agents were fully up to speed on menu changes and as our food is unusual, they were able to describe to callers exactly what food they were ordering.”*

The company used the **SwyxWare** solution to bring this operation back in-house. The flexibility of the system allowed YO! Sushi to integrate its inbound calls with the company’s customer database and maps package, routing the calls using a non-geographical number to its call centre based in London.

THE RESULTS

AN EASY TO MANAGE TELEPHONY INFRASTRUCTURE, THAT HAS REDUCED OPERATING COSTS, IMPROVED STAFF AVAILABILITY & PROVIDED A PLATFORM FOR FUTURE DEVELOPMENTS.

According to Waters the implementation of the **SwyxWare** solution has achieved all the criteria set out by the company and has potential to deliver further cost and operational benefits in the future. Waters comments on what the company has achieved so far, *“The implementation of the Swyx solution has been a great success, we have dramatically reduced our telecommunications*

costs, improved our overall efficiency and we have had the added bonus of saving yet more money and protecting our brand values by bringing our call centre operation in-house.”

The key benefits of unified communications delivered are:

- Significantly reduced the overall telecommunications costs as the company no longer need to pay for multiple line rental and all the calls between head office and the restaurants are now free
- Improved the accessibility of staff as they have access to the corporate PBX system regardless of their location
- Negated the need to outsource its ‘take-away’ business by implementing its own call centre, thus saving money and improving its customers relations
- Significantly reduced the monthly maintenance charges as all moves and changes can be carried out remotely from head office
- The conferencing facility has allowed regional managers to hold ‘virtual meetings’ with restaurant managers without the need to travel or subscribe to a third party service
- During busy periods the voicemail facility has allowed restaurant managers to manage their calls and prioritise their workload
- Allowed the company to plan its roll-out of new restaurants ahead of time, allocating numbers and resources, without relying on third-party telecommunications carriers.

SOFTWARE-BASED UC VERSUS HARDWARE

One of the longest running debates amongst unified communications vendors, is whether a hardware or software approach works best. The old telephone systems or PBXs were all hardware-based and unsurprisingly some of the traditional vendors still have hardware at the heart of their solutions. These are often referred to as IP hybrid solutions. In parallel, there are also vendors that supply 'software-only' solutions such as Swyx that run as just another 'application' on the IT network and these are known as pure IP solutions.

According to independent consultants, MZA, pure IP and IP hybrid solutions now represent 90% of all solutions shipped in the UK.

HOW DO PURE IP SOLUTIONS WORK?

Using 'soft' IP PBX technology, voice and telephony just becomes another server based application that runs within a company's network environment. Voice like data, can be delivered to anyone, anywhere, regardless of their location, and can be integrated into other business critical applications, opening up endless new opportunities to improve a business's operational processes.

Key attributes include:

- Can be managed just like any other application
- Can be integrated with other third party applications e.g. CRM, Stock etc.
- Can be managed in-house by IT Manager
- No expensive support contract – moves & changes can be done internally
- No additional hardware – works on existing servers
- Will work with any handset
- Both voice & data can be centrally managed

Software based UC solutions also offer more advanced interfaces which allow companies to simply build their own specific applications and connect to other relevant databases and systems. This can be a very powerful tool in the IT manager armoury as it allows the corporate IT offering to be customised to meet the direct needs of the business, again without any reliance on a third-party supplier.

Correctly implementing a UC solution built around a 'soft' PBX will evolve alongside the dynamics of the business, meaning you can protect your investment in the future.

It is not unusual for software-based UC solutions to achieve an ROI within 12 months of implementation.



“ Unified communications enhances the communication at every stage of the purchase cycle: Investing in UC allows retailers to optimise processes whilst improving quality in their user journey, offering loyalty to the customer to increase sales and profits.

Matt Newing - Managing Director, Elite Telecom

ABOUT THE SPONSORS

elitetele.com

Elite Telecom is the UK's leading unified communications provider, delivering an unrivalled product portfolio to businesses that is designed to increase efficiency, cut costs and deliver return on investment. Established in 2000, Elite Telecom was the first independent telecoms provider, not tied or bound to specific products or vendors, which gives the organisation a unique, consultative approach to business solutions.

Elite is the only unified communications supplier to feature four times in the Sunday Times Tech Track 100, which recognises the 100 fastest growing technology businesses across the UK. The fast growing organisation provides one of the widest range of unified communications solutions on the market and is a proud Swyx Gold Partner.

Elite Telecom and Swyx joined forces to investigate the role of comms technology in the retail sector. Working in conjunction with Retail Week, the survey successfully polled over 100 retail executives with businesses ranging from 1 to well over 1,000 employees.

SWYX

Swyx develops communication software specifically tailored for medium sized companies (SMEs). SwyxWare is installed on a Microsoft® Windows® Server and brings together the complete communication needs of a company, in a single user interface.

Swyx operates as a pan-European market leader via two-tier distribution and over 1,000 authorised resellers: the Dortmund company with dedicated offices in the UK and France sells not only software solutions in six languages, but also has a range of suitable phones and other hardware devices in its product portfolio. Swyx's award-winning unified communications provides not only in-house (CPE) solutions, but also cloud-based variants with well-known partners: Europe already has 500,000 users that rely on Swyx, of which around 10 percent have chosen to use a cloud-based solution. For further information, see www.swyx.com.



**TO FIND OUT MORE ABOUT UNIFIED
COMMUNICATIONS IN RETAIL
DOWNLOAD THE FULL SURVEY:**

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