

VOIP HITS THE BULL'S-EYE FOR SPORTING GOODS SUPPLIER'S CALL CENTER

McKenzie Sports teams with ShoreTel to create an unbeatable call center that's highly reliable and flexible.



Challenge:

McKenzie Sports was experiencing steady growth by acquiring companies and adding facilities. When the sporting goods company added a new site and more users for its Nebraska distribution center, the existing phone system maxed out. McKenzie Sports needed a voice system that did not require dedicated bandwidth, would improve call routing to call center reps, and lower overall telecom costs.

Solution:

Seven ShoreGear-24s and one ShoreGear T-1 support more than 150 users at four site locations. McKenzie Sports gained site-to-site connectivity, least-cost routing, workgroups and a virtual contact center. To keep costs low, McKenzie Sports uses a combination of AP-100 analog phones and off-the-shelf analog phones.

Benefits:

Since adding the ShoreTel system in 2001, McKenzie Sports has realized significant cost savings—including up to \$18,000 in bandwidth costs; between \$5,000 to \$10,000 per year in administration costs; and \$5,000 annually in replacement equipment. The ShoreTel system allowed McKenzie Sport to add bandwidth capacity and increase efficiencies. Employees and the IT department have become more productive due to improved call management capabilities, and customers are receiving much more consistent service through the virtual contact center.

McKenzie Sports lives and dies by the phone. About 95 percent of the McKenzie Sports' sales are phone orders, which can reach 30,000 per month during peak months; the rest come via Internet and fax. Excellent customer support and reliable phone service are necessities for the sporting goods supplier to hit its sales targets.

The company manages two businesses for hunting enthusiasts. McKenzie Targets sells sporting goods supplies to hunters and sportsmen, and McKenzie Taxidermy offers a wide range of taxidermy materials. Sportsmen rely on McKenzie Targets' deer, turkey and assortment of targets to sharpen their archery skills, and taxidermists look to McKenzie Taxidermy for forms and supplies that preserve their customers' hunting trophies.

In 2001, McKenzie Sports, based in Granite Quarry, NC, was gearing up to grow through acquisition. Its Nortel Networks Norstar-Plus Modular ICS system was already at capacity, and the company needed a reliable network solution that could accommodate future expansion and remote locations. When McKenzie Sports opened a distribution center in Fremont, NE, and added six employees on a Nortel system, it maxed out the Nortel system by piggybacking voice traffic on the data link.

"We had a dedicated T-1 between the two locations for data, and part of it was partitioned off and dedicated to the voice signals between locations," says Barry McKenzie, director of IT at McKenzie Sports. Voice traffic came out of the Nortel PBX on a digital extension, and then the digital signal was converted to analog. The analog traffic ran between the routers at each site via a T-1 link. In Nebraska, the analog signal was converted back to digital and entered the Nortel key system as a digital extension.

The set-up was inefficient, to say the least. The company was designating 128 Kbps for voice traffic. "Part of our site-to-site bandwidth was dedicated to those two voice lines, and we couldn't use that bandwidth for anything else," McKenzie says.

Knowing that the company would make additional acquisitions, McKenzie Sports decided to drop Nortel. "Upgrading the Nortel system would have cost a pile of money, and we would still be limited if we opened up another remote site," he says. In addition, McKenzie Sports would need to upgrade its Cisco router, and a future acquisition would likely require another router upgrade.

McKenzie sought a more flexible, cost-effective voice system. He decided the company needed an IP telephony solution, and he began researching competitive solutions. ShoreTel scored "an immediate touchdown," said McKenzie. "ShoreTel won the game, and they didn't even have to play."



“With ShoreTel, if there is a WAN meltdown, calls coming into the customer service workgroup will get routed to a designated person in the customer service workgroup, and that person would be transformed into a call director.”

“ShoreTel appealed to us because it was so open-ended in terms of future expansion,” McKenzie says. “And with the ShoreTel system between our two existing sites, we were going to get bandwidth back.” No longer would McKenzie Sports lose two router slots to dedicated voice cards.

MCKENZIE SPORTS BOOSTS BOTTOM LINE WITH SHORETEL

Today about 100 employees work at the McKenzie Sports headquarters in North Carolina, which houses four ShoreGear-24s and one ShoreGear-T1. The company also has employees in three remote locations: 60 in Albemarle, NC, 10 in Janesville, WI, and six in Nebraska. Each satellite office is equipped with a ShoreGear-24 switch. McKenzie Sports uses about 75 AP-100 analog phones. All other phones in the office are off-the-shelf analog phones purchased from office supply retailers.

In conjunction with the ShoreTel deployment, McKenzie Sports upgraded its network switches. “We had outgrown our switching infrastructure and knew an upgrade was just over the horizon,” McKenzie says. “Foundry and ShoreTel offered a scalable solution.” A Foundry FastIronII+ core switch sits in the company headquarters, and each satellite office has a Foundry FastIron Edge 2402 Power Over Ethernet (POE) switch. (The POE switch supports wireless access points in the warehouses.)

McKenzie Sports doesn’t use wired IP phones or a pure voice over IP (VoIP) solution, however. Because the company relies so heavily on phone orders, McKenzie wanted a flexible system that supported both VoIP and analog. In the event a WAN link drops, the analog side of the ShoreTel system kicks in. That enables McKenzie Sports to still take customer orders, even though the analog system lacks some functionality, such as call routing capabilities. “If our company doesn’t have phone service, we die,” McKenzie says. “With ShoreTel, if there is a WAN meltdown, calls coming into the customer service workgroup will get routed to a designated person in the customer service workgroup, and that person would be transformed into a call director.”

Since deploying the ShoreTel equipment, telecom costs have drastically reduced at McKenzie Sports. All calls are routed through ShoreGear-T1 at the headquarters, including long-distance calls from remote locations and calls into the company’s 800 number.

“I would probably faint if I saw the amount of money we’ve saved by using the site-to-site connectivity instead of dialing out,” McKenzie says. “And if the WAN goes down, we can still talk to customers. If we don’t have phone service, we aren’t making money.”

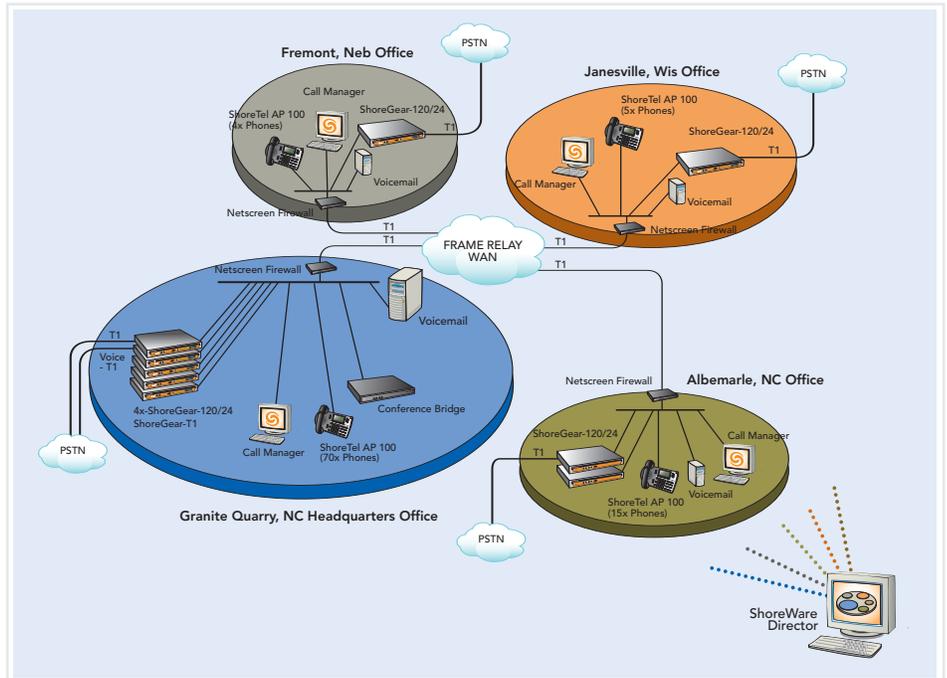
Several features have tremendously boosted user efficiency and, ultimately, the company’s bottom line. The ShoreTel Contact Center had just the call center features McKenzie was looking for. McKenzie Sports has one three-person customer service workgroup and another workgroup with as many as 25 people. Customers using the toll-free number are automatically routed to the agent who has been idle the longest.

“We went through three different call processors and none of them really routed calls to our customer service reps in an efficient and consistent manner,” McKenzie says. “Part of the standard ShoreTel feature set was a call center and customer service workgroup, and it behaved exactly like we wanted it to.”



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Setting up new offices with the ShoreWare Director "takes minutes" and all management occurs in the North Carolina headquarters. "I love it," McKenzie says. The ease of administration has saved \$5,000 to \$10,000 per year in adds, moves, and changes alone. McKenzie Sports no longer has to pay a Nortel tech to make the changes, and the simplicity of the management system frees McKenzie to work on more pressing projects. The company saves another \$5,000 annually in replacement equipment, McKenzie says.



McKenzie Sports' IP telephony deployment across 4 sites accommodates 30,000 phone orders per month.

The company has also saved bandwidth costs. Now that McKenzie Sports doesn't have to dedicate bandwidth on its T-1 line for inter-site voice traffic, the company is saving \$1,500 per month that it would have to pay for additional lines.

Network efficiency also improved. McKenzie Sports didn't have to upgrade the network routers or boost WAN links to support the remote sites. "With the ShoreGear equipment, we got half our bandwidth back, so we didn't have to increase our WAN bandwidth to do VoIP across sites," McKenzie says.

The shift to ShoreTel was an easy one for the IT staff, McKenzie described the upgrade as "painless," and for end users, who particularly enjoy the Call Manager feature with Outlook integration. "People took to the Personal Call Manager like ducks to water," McKenzie says. "I shudder to think of the screeching that would commence if we had to do away with it."

Business is good for McKenzie Sports. In June 2005, the company will add another distribution facility in Texas. With the business growing, McKenzie is not concerned about adding new locations. "We'll just drop a ShoreGear-24 in there, hook it up to the network switch, and ask people where they want their phones. It takes minutes."