



Sephora

<http://www.sephora.com/>

### ***IBM in partnership with Big Sky Technologies***

#### ***Sephora maintains its beautiful stores with assistance from IBM Lotus technology***

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-- Laura Doan, director of facilities at Sephora USA

#### **Challenges**

- Manage ongoing repairs and upgrades for the 75 widely distributed facilities of this beauty products retail chain -- which differentiates itself by its flawlessly beautiful stores
- Enable efficient collaboration between facilities and store managers and hundreds of mobile, on-call maintenance contractors with different preferred means of communication
- Provide for tracking and review of maintenance histories in order to identify chronic problem situations
- Enable flexible expansion of facilities management operations to accommodate ongoing addition of new stores
- Avoid the personnel and telephone equipment costs of running a maintenance requests call center

#### **Solution**

- A comprehensive and integrated facilities management system built on IBM® Lotus® Domino™, which includes:
- A workflow application automating work orders and maintenance management
- Communication options enabling managers and contractors to interact with the system through the Web, e-mail, fax, phone, pager and wireless
- An automatically populated maintenance database for tracking and reviewing maintenance incidents and histories
- A user-friendly interface that shields non-technical users from the underlying complexity
- A hosted call answering and routing service
- Domino's powerful application development platform facilitates quick and easy updates to the system to accommodate store expansion

#### **Why IBM**

- Powerful workflow, collaboration, and communication capabilities
- Easy-to-use tools for prototyping and developing applications

- Breadth and depth of IBM Lotus software's technology vision

### **Key Business Benefits**

- Automated work processes generate high operational efficiency
- Alternate communication options enable anytime, anywhere teamwork to speed repairs
- Hosted, automated call center lowers costs while freeing in-house IT staff for other work
- Online tracking of maintenance work-in-progress and history yields better management decisions
- Fast, agile facilities management enables the company to adapt to dynamic market conditions

### **IBM Business Partner**

- Big Sky Technologies, San Diego, Calif.

### **Key Components**

- IBM Lotus Domino
- Lotus Domino based eWork OrderSM application from Big Sky Technologies
- IBM Lotus Sametime®
- IBM Lotus Everyplace™
- Big SkyRemark!® Voice Server

### **Profile**

Sephora USA is a beauty-retailing enterprise from France that sells perfumes, cosmetics and skin-care products. First arriving in the US in mid-1998 with stores in Miami and New York, the Sephora concept has been warmly received. Through rapid expansion Sephora will have 75 US locations by the end of 2002.

Sephora's approach is rooted in a combination of aesthetics and lifestyle. The company designs each store as an interactive, open space where freedom and specialized services are offered. Defying the traditional selling methodology, Sephora's stores give shoppers what they want – freedom, beauty, creativity and global culture. In fact, many customers enjoy the Sephora experience because the stores are so beautiful.

### **Business Challenges**

With so much emphasis on a beautiful sales environment, Sephora's stores must be in perfect condition – freshly painted, clean, safe and all systems working well. Existing stores are frequently retrofitted to renew the environment and new stores must be made operational as quickly as possible. "In our business, maintaining newness and freshness in the stores is what it's all about," says Laura Doan, director of facilities at Sephora USA.

These requirements push facilities management staff to the limit. Across 75 stores, they must perform routine maintenance, initiate and execute preventative maintenance agreements, and handle emergency issues such as fire, floods and hurricanes. The volume of work can be daunting: Sephora headquarters receives incoming maintenance issues via calls and mails at the rate of about 2,500 per quarter. Routing such requests from store managers to facilities

managers to on-call maintenance contractors, and back through the chain, would challenge the best of managers, given that contractors are in the field most of the time. Managers also need to monitor work-in-progress and track maintenance history. Says Doan, "When you're moving at breakneck speed, it's especially important that you capture detailed maintenance information for review and analysis."

### **Solution Requirements**

As a new company, Sephora executives realized the need to improve its facilities management procedures. When Doan arrived, the company didn't have an automated system for answering maintenance calls, and it was using an Excel spreadsheet for data entry and tracking. Clearly needed was an automated, intelligent workflow solution. Sephora staff, working with IBM solution provider Big Sky Technologies of San Diego, Calif., defined the following requirements:

- The ability to virtualize the call center with a solution that would automate and track maintenance processes in real time
- The power to handle varied communications modes for routing maintenance requests work orders and status reports to everyone involved
- The adaptability to expand, contract and grow in a fast-paced environment
- Integration capabilities to output maintenance data into other applications
- The possibility of outsourcing the application to let experts manage it
- The intelligence to aggregate maintenance history and output useful reports

The solution chosen was Big Sky's application, eWorkOrder, which is based on IBM Lotus Domino software for process workflow, collaboration and communications.

### **The solution**

eWorkOrder is a structured communications application that manages interactive workflow. User can access the system via a Web browser, as well as by telephone, e-mail, fax, pagers and wireless devices. Operating in real time, the system automatically turns maintenance requests into electronic work orders and routes them through the workflow in the preferred communication media.

Developed using IBM Lotus Domino to provide the maintenance database, workflow capabilities and the Web-based platform, the technology is so transparent that users are unaware of the Domino connection. Big Sky, which hosts the solution at its data center, also provides a Domino-based communications gateway for integrating telephone, fax, pagers and other media into the Web environment.

### **eWorkOrder in action**

Here's how eWorkOrder handles a typical facilities management incident: When a store manager needs help, as when a key breaks off in a lock, he or she calls an 800-number to report the problem and assign a priority rating. Information is input via interactive voice response technology (IVR) using Big Sky's Remark! Voice Server. For high-priority requests, the system locates and signals the facilities manager who is on-call, requesting a response. The manager receives the request message via the Web portal or by telephone, listens to it, researches the solution and adds details to the request. The system then creates the electronic work order.

Using the preferred communications medium, usually fax or e-mail, the system dispatches a message to the selected contractor with the work order attached. The contractor then calls into the system to provide information on availability and job scheduling. As the process progresses, eWorkOrder allows the store manager to check the contractor's schedule, while the facilities manager can check the repair status in real time. At the back end, the contractor reports when the job is done, the store manager provides input, and the facilities manager closes out the incident. At any time managers can request reports from the facilities management database.

Sephora executives are delighted with eWorkOrder's capabilities. "I've worked for a few retailers, and most use some sort of rudimentary database or spreadsheet to track maintenance incidents," says Doan. "Other approaches don't come close to the capabilities of eWorkOrder."

### **Domino is key**

"IBM Lotus Domino is the key component, because it provides the core capabilities to make this happen," says Tom Krier, president at Big Sky. "The Lotus Domino Web server and database create the means to store the maintenance events. And the capabilities of Domino Everyplace and the Remark! Voice Server enable eWorkOrder to communicate via pagers and the new wireless technologies, as well as fax, e-mail and the telephone."

Krier also praises the power of software development Lotus Domino: "The development environment ensures that we can continue to innovate in developing our applications. It helps us experiment and prototype applications very quickly. After we show them to the customer, we come back and finish them in production code."

The telephony side of the solution comes from Big Sky's Remark! Voice Server, which uses the IBM Lotus PhoneNotes programming language to develop the IVR scripts. These interact with the Lotus Domino database on the back end, accounting for ease of use over the telephone.

### **The benefits**

Sephora benefits from eWorkOrder due to better process operations and management, lower costs, and new business intelligence capabilities. The result? A competitive advantage.

**Operations and management:** The system speeds operations by giving managers and contractors anytime, anywhere access in real-time. "The system enables us to get information from vendors quickly, without having them return to the office for e-mail," Doan says. "Bob the plumber can drop information seamlessly into our database from the field using the telephone. That sets it apart." Maintenance history is also completely visible to managers. For instance, a manager could review a history of mechanical failures in a store from the field, at home or from a desktop. Says Doan: "History is important because you always want to track repeat issues to detect chronic problems. This improves our results because it holds contractors responsible for their work."

System flexibility allows managers to adapt to changing conditions. Processes can be altered quickly, while extensibility allows new functions and processes to be added. Originally, Sephora used the system just for store repair and maintenance; today it has been extended to track store rollouts and retrofits. A scalable system, eWorkOrder will allow Sephora to continue adding stores. Big Sky estimates that it could handle many thousands of stores with no performance loss.

**Lower costs:** Time is money, of course, and eWorkOrder saves time in every facilities management function. Automated workflow is faster, as is data entry, since every participant adds information right into the database. In addition, user training is easier because of the intuitive interface. "This is a very user-friendly system," Doan says. "New staff members and contractors have come in and started using it very quickly."

eWorkOrder also allows Doan to run a lean operation – vital to retailers who want to balance costs against profits. Key savings come from eWorkOrder's impact on costly call centers. Because eWorkOrder creates a virtual call center with telephony functions hosted off-site, in-house call centers can be smaller. Far fewer staffers can handle the workload, which now consists mostly of exceptions to standard processes.

"eWorkOrder can result in 50 percent cost savings in call center staff and equipment alone," says Tom Krier. "For a company with just 100 retail stores, savings can be from \$150,000 to \$300,000

annually.” Savings also accrue from the hosting business proposition: Big Sky hosts the application, the database, and the telephony function, so Sephora doesn’t need to pay for computer hardware, services and staff to install and maintain the system. This frees Sephora’s IT department to work on more pressing tasks and projects.

**Business intelligence:** The solution provides immediate access into maintenance history and the ability to input maintenance data into back-end systems, such as accounting and budgeting. Other reports provide key management metrics, including contractor work records, service cost comparisons, repair quality, and the status of all maintenance contracts. In effect, eWorkOrder gives Sephora’s managers a business intelligence system that directly leads to better decisions and strategic planning.

“In terms of our success with this system, the proof is that our store managers are quite pleased with the maintenance we provide,” concludes Laura Doan. “One of my staff was recently singled out for providing excellent store support. Because eWorkOrder empowers managers by stripping away all busy work, eWorkOrder has been a major contributor to outstanding performance.”

### **IBM Contact Info**

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