

A Ground-Breaking Interactive Television Shopping Experience



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The Price is Always Right

On October 1, 2004, an innovative home shopping service called 1-2-3.TV was launched in Germany. As with typical home shopping networks, 1-2-3.TV viewers are presented with a selection of items for sale, such as clothing, sporting goods, cosmetics, home improvement items, and gifts, but because the price shown is only a minimum to start the bidding process, the similarity ends there.

The mechanism for calculating the selling price with 1-2-3.TV is as simple as it is exciting. Each item is initially priced at one euro, and viewers can bid by telephone the maximum price they feel the offered article is worth. The telephone bidding process uses a voice portal and CRM solution by CreaLog, a leading European voice portal provider, built on NMS' flexible, open, and scalable [Open Access](#) platform. At the end of the sale, the viewers offering the highest prices receive the product. 1-2-3.TV's special gimmick is that all winning buyers need only pay the lowest price that was successfully bid, so some viewers can end up paying much less than they thought the article was actually worth.



Figure 1. Screenshot of 1-2-3.TV.

A Partnership of Experienced Vendors

A unique selling point of 1-2-3.TV is that the company's several infrastructure vendors are highly specialized and experienced. In order to ensure the success of this innovative home shopping service concept from the start, 1-2-3.TV's management selected vendors including DHL as the logistics partner, Quelle.Contact as the call center, the Bavaria film and TV studio for television production, and CreaLog as the supplier of the call center's voice portal and CRM solution platform.

CreaLog not only provides the voice portal but also the web and application servers used for data warehousing, commodity management, and fulfillment, as well as the planning tools used by 1-2-3.TV to manage and plan the product sales — offerings that help set CreaLog apart from its competitors. All products on hand are inventoried with descriptions in the commodity management system, determining which products will be available for auction. Once per day, employees on the planning team assign goods in stock to individual auctions. The results of the day's TV transactions then determine how to best position each product for auction, such as time of day to offer a particular product or scripted information for the host, all of which is also managed by the CreaLog control application.

In addition, all integration with the Quelle. Contact call center and DHL is provided by CreaLog. Customers who register to bid with a 1-2-3.TV call center agent are entered into the database via the CreaLog web interface (web registration is also available). This process also automatically checks the customer's credit history so that delivery options can be adapted accordingly.

About the Technology

Because this auction-like concept never existed in Germany until now, it was critical that the underlying architecture for CreaLog's voice portal solution be reliable, scalable, and extensible, which NMS' Open Access is. CreaLog has been using NMS' AG 4000 lines of PCI-based products for more than five years, so it made sense that the company continue to work with what it knows. For the 1-2-3.TV application, CreaLog uses the [AG 4040](#), a new series of DSP and digital PSTN interface PCI and CompactPCI telephony platforms. The AG 4040 is part of the NMS family of analog and digital hardware for use in the development of systems that require voice and call processing, fax, switching, and the integration of telephone systems and computer or database systems.

The CreaLog voice portal solution for 1-2-3.TV provides two voice portals with 240 ports, which are connected to two redundant Oracle databases. The CreaLog web and application servers are secured by firewalls. The diagram engine of the 1-2-3.TV service is also managed using an XML interface, providing accurate on-screen announcements of the callers' bids.

CreaLog's voice portals can handle up to 100,000 calls per minute, a necessity for the massive call volume generated by the televised auctions, for which more than 20,000 people became registered bidders in the first month alone. 1.2.3.TV's business plan anticipates this figure will grow to 500,000 bidders in 2006.

CreaLog's voice portals are flexible, natural speech dialog solutions, with an open, VoiceXML-based platform for easy and fast realization of voice business applications. CreaLog supports various databases, CTI-middleware, unified messaging systems and Internet protocols. The CreaLog platform combines IVR, CTI, speech recognition in more than 40 languages and text-to-speech (TTS) in more than 20 languages with ACD, fax, and email in a single voice portal. It's already used in 13 countries, in more than 250 client installations.

About CreaLog

CreaLog GmbH, a leading provider of voice portal solutions, has many years of experience with natural-language voice portals in Europe, with more than 250 customers across 30 industries. For more information, please visit www.crealog.com.