



Asia's largest direct marketer partners with Quinnox to deploy and optimize **SAP** technologies for bottom-line benefits

One of the pioneers in water and air purification systems, vacuum cleaners and security systems gets the results they need from their SAP investment

Customer	Challenge	Solution	Results
<p>This company is a leader in water purification systems, vacuum cleaners, air purifiers and security solutions with a sales force of 7,000 and over 1.5 million customers.</p>	<p>Their existing SAP solution partner was not meeting expectations, which caused numerous issues with customer service, sales support, warehouse management and more.</p>	<p>A Quinnox SAP team with Application Management Service expertise and other skillsets identified, analyzed and problem-solved these issues.</p>	<p>The results were better customer service, greater productivity, reduced order entry time, increased visibility, and more accurate performance reporting, among other benefits.</p>

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Direct marketer relies on SAP for big improvements, but is faced with big challenges

With a wide variety of products and a large sales team touching over 1.5 million homes in the surging direct sales market in Asia, this global leader turned to SAP to simplify its complex business model and improve customer service and support levels. In addition, they looked to SAP technologies to improve warehouse management and other mission-critical business processes.

However, their investment in SAP fell short of their expectation due to an unreliable and inexperienced IT partner, particularly in the area of application management services (AMS). This resulted in poor quality support services, a six-month backlog of over 300 open tickets, poor documentation, and an unstable SAP environment due to patches, hot packs, and service packs not being released on time. Root causes were not addressed either, leading to recurring problems in the areas of order management, service management and marketing activities.

Other key shortfalls included third-party vendor performance measurement, accurate report generation, slow “concept to market” cycles for new products, errors in employee incentive calculations, little call center automation, and lack of dealer visibility. In addition, a lack of spare stock control resulted in a direct loss of royalty revenue. In fact, all these deficits – plus the failure to successfully implement SAP modules such as Warehouse Management, cProjects and Project Systems – resulted in operational inefficiencies that negatively impacted revenues and business growth overall.

The solution: a holistic enterprise-wide strategy executed by an expert SAP

Knowing that their investment in SAP was being squandered by an incumbent IT partner that hadn't met their service level agreements in over a year due to a lack of governance, compliance and service reporting, they looked to the dependable SAP experts at Quinnox to quickly address these company-wide issues and major weaknesses.

A Quinnox AMS team specializing in SAP was quickly mobilized. Within 48 hours, they had identified key issues, analyzed available resources, and created a comprehensive plan that addressed and solved current challenges. A number of SAP products and other technologies – both existing and new – were designed into the plan to ensure all the needed areas were covered, from systems administration to security to support and more.

Application development projects were successfully launched and executed to improve partner management, including the automation of incentive calculations. All the previous investments in SAP modules were successfully implemented (Warehouse Management, cProjects, Project Systems). In addition, in order to effectively address critical customer complaint resolution, the Quinnox team successfully rolled out a call center automation solution using an interactive Voice Response (IVR) system.

An associate management system portal for dealer and distributor management was also created for measuring efficiencies and pinpointing issues. Analytical tools and other functionalities were specifically designed to reduce consistent and costly revenue leakage. Features included automated and enhanced information flow, better inventory management, clear visibility of secondary and tertiary sales, and accurate performance metrics through intuitive dashboard reports.



Other key Quinnox solutions and “fixes”

- Implemented structured governance and project delivery to enhance business functionality
- Optimized Business Intelligence (BI), the data model, and fine-tuned the unstructured data to generate accurate daily reports for better-informed decisions
- Implemented a raw materials vendor portal solution to help shop floor managers effectively plan and rapidly procure products for manufacturing, as well as monitor vendor performance
- Deployed an automated Web sales SAP interface with notifications to create sales orders, customer data, collect transaction information, track orders, and manage returns and replacement
- Used SAP CRM to track the cartridge sales process from dealer to end customer, helping to increase sales and promote cross-sales
- Leveraged SAP BI to identify household coverage across towns, states and regions of India, broadcasted monthly to measure improvement in percentage penetration across the country
- Deployed a sales performance report using SAP SD to provide accurate YTD and MTD metrics from all verticals – delivered daily to the Executive Vice Chairman for real-time visibility

In all, twelve business-critical projects were delivered, including significant achievements in the areas of Web sales, spare barcoding, a vendor portal, central warehousing improvements, new initiatives, traceability, auto MIRO, and more. All these tasks and deliverables were executed quickly and cost-effectively, using a delivery model with a 15/85 ratio of onsite-to-offshore resources.

A snapshot of tools and technologies used

Amenity tool - SAP Security

- Self-service features
- Secure password resets
- Reduces security team hours

IVR - SAP CRM

- Documents complaints
- Creates follow-up activities
- Limited agent interaction

SAP -BI

- EVC Dashboard for overview of entire D-line business
- Helps with customer retention and satisfaction

SAP Micro-monitoring

- Central system status overview
- Cross-system monitoring of process chains
- Integration of BI-specific alerts

Plant Automation

- Reduction of transaction steps
- Decreased transaction time
- Simplified processes

Storage Location Automation

- Reduction of storage location creation
- Cuts down the creation process from ten to two minutes

BDoc - Reprocessing

- Self-service functionality
- Eliminates data mismatches in various SAP systems

\$31.2 million and over 22k of manpower hours saved, \$163.6 million in added revenues

With the help of a dedicated team of SAP experts from Quinnox, this leader in the growing economies of Asia was able to rebound from their initial technology challenges and achieve many substantial benefits in the areas of operational costs, order entry time, vendor management, and project lifecycles.

For example, by partnering with Quinnox, they were able to halt the significant drop in service revenues and customer satisfaction. In fact, they were able to reverse these trends. The call center automation solution alone led to a 30 percent decrease in call drops. Plus, over 5,150 help tickets were rapidly resolved.

The Interactive Voice Response system in CRM automated complaint recording and accurate report generation was enabled, including KPI reports for precise third-party performance assessments. An associate management system for dealers was developed, allowing for much greater visibility, as well as automated invoicing and real-time transaction information.

Best of all, the transition was completed in nine weeks leveraging the Quinnox "Agile Transition Model." This was achieved with no knowledge transfer from the incumbent vendors, relying heavily on proprietary Quinnox accelerators.

Savings in dollars and manpower, plus additional revenues

- › Spares pending controls
- › Cost center updates
- › Employee performance tracking and incentives
- › BRS for Auto GRN
- › New business IR updates
- › Bulk AMC creation
- › Deferred service income transfer tasks
- › Virtual warehouse abolition
- › KPI same-day response time
- › Billing BP enhancements
- › Many other enhancements to consumer services, manufacturing, sales, supply chain, finance, payroll, HR, BI, and ICM



\$31.2 million saved



22,660 hours saved per year



\$163.6 million additional revenues

Benefits by the numbers

- › Decreased yearly operational cost by 8 percent and overall maintenance and support costs by 15 percent
- › Reduced order entry time from 7 minutes to less than 1 minute
- › Lowered BI report generation time from 3 hours to 30 seconds
- › Reduced security and authorization-related tickets by 40 percent
- › Project lifecycle time for product development lowered by 30 percent



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