Panasonic Europe Increases Sales and Achieves A Significant ROI Using IBM WebSphere Product Center

Overview

■ Business Need

Panasonic required a more effective way to create consistent and complete information about its products for customers, dealers and Websites.

■ Solution

A Product Information Management solution to streamline information gathering and distribution and eliminate the existing manual processes.

■ Benefits

Panasonic has now achieved global simultaneous product launches, correct information for catalogs and advertising, faster price change notifications and better Point of Sale (POS) integration.

Panasonic is a leader in consumer electronics with world wide operations. Due to intense competition in Europe, they were looking at ways to increase sales and lower operating costs. One area where they expect to get quick returns is by streamlining their data and processes to get new products and modifications out to their e-Commerce sites and print catalogs. Using IBM's WebSphere Product Center they were able to meet these objectives and also achieve a significant return on their investment.

Customer Background

Panasonic is one of the world's leading consumer electronics manufacturers with presence in every major country. The company began its European operations in 1962 in Hamburg, Germany. Today, Panasonic employs 13,000 people in Europe in manufacturing, sales research, development and support functions. About 60 percent of Panasonic products sold in Europe are also manufactured there. Sales in Europe are in excess of $10B.

Business Need

In Europe's consumer electronics market, Panasonic Europe and its competitors are constantly updating product offerings due to changing technologies. With such fierce competition and short product lifecycles, Panasonic's level of success greatly depends on how quickly it can market new products. New product information must be quickly and accurately distributed to regional sales and marketing teams located in every country in Europe, with translations in every European language. However, the company was manually collecting product specifications from the factory and sending them out for translation and validation by e-mail, slowing the distribution process. To remain competitive, Panasonic needed to speed the distribution of product data to its regional sales and marketing teams.

Historically, when one of Panasonic's global factories began manufacturing a new product, the related product information – including low-resolution and high-resolution pictures and manuals in different languages - was sent to European marketing departments as Microsoft Excel data. The marketing people would then have to enrich, translate and distribute this information to the sales force manually. There were a number of issues with this scenario. The translating process, for example, was extremely cumbersome. For each new product, marketing staff would have to send product information to translation companies via e-mail, receive the translated copy back in an e-mail, and then cut and paste all of this information back into the Excel spreadsheets, the Panasonic Web site, the company's SAP application and a number of other applications. Taking into consideration the sheer volume of products Panasonic creates, along with the number of languages spoken in Europe, the colossal nature of this process is clear. In order to remain competitive in the consumer electronics industry, Panasonic

Europe needed to find a more effective way to create consistent and complete information about its products and a better way to distribute product information to customers, dealers and Web sites.
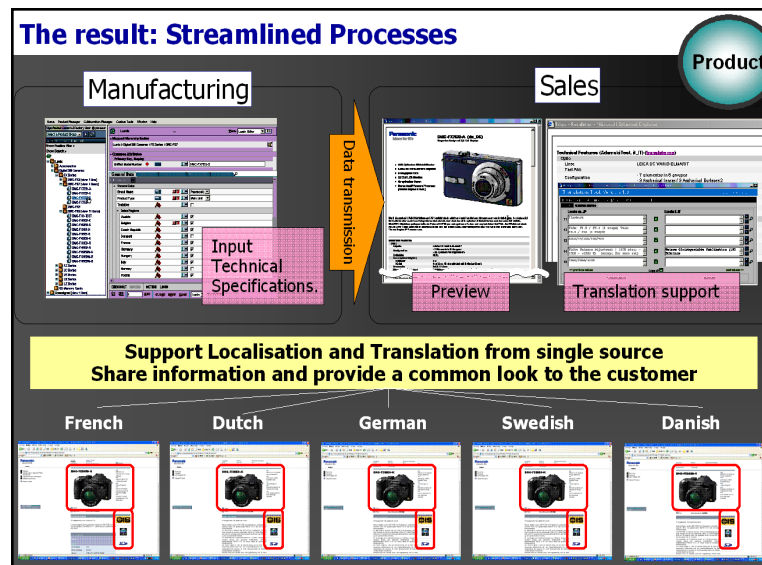
Solution

To address this need, Panasonic Europe teamed with IBM Global Services – Application Management Services to implement a solution based on IBM WebSphere Product Center V5.0 software running on an IBM WebSphere Application Server – Express V5.0 platform. The solution runs on IBM AIX hardware. With the WebSphere Product Center software, Panasonic Europe can streamline its information gathering and distribution process.

The WebSphere Product Center software, a product information management solution, manages the process of creating, enhancing, and distributing product information to Panasonic's customers, dealers, Web sites and other applications. This has removed a lot of the manual element of the product information management process.

With the new solution, manufacturing plants input information directly into WebSphere Product Center or it can be imported from SAP, i2 and other Panasonic applications. Product Managers have final approval and then the workflow sends it out to the agencies for translations. The translations need further approvals and then the information is ready for release. Only new information is sent for translation and all existing material reused. Panasonic can now simultaneously release the information to their e-Commerce web sites, print catalog production department and their price change notification process. The system is designed to handle in excess of

The result: Streamlined Processes

Manufacturing | Sales | Product

Input Technical Specifications.

Data transmission

Preview | Translation support

Support Localisation and Translation from single source
Share information and provide a common look to the customer

French | Dutch | German | Swedish | Danish

3 million SKU's. The information sent out includes product specifications, images, information for publicity, key features to highlight and supporting sales information like manuals and technical documents.

Benefits of the Solution

IBM's WebSphere Product Center software gives Panasonic Europe a scalable and flexible tool with integrated workflow capabilities. This helps Panasonic achieve global simultaneous product launches; correct information for catalogs and advertising; faster price change notifications; and better POS integration.

In terms of tangible gains, WebSphere software solution helps reduce the time for creating and maintaining product information by up to 10% and also reducing data entry errors from 5% to 0.1 %. As a result, Panasonic Europe expects to save about €5 million per year. Panasonic's external partners will also reduce their costs by roughly 25%.

By improving speed to market, Panasonic now has 2 extra weeks for sales of new items which will result in a three and a half percent increase in revenue.

Going forward Panasonic intend to use their Product Information Management system as a foundation for their future Global Data Synchronization (GDS); RFID and recycling (WEEE component level mandates) initiatives.