

Roche Diagnostics uses an online system to sell products and to improve service



Overview

- **The Challenge**
To use Web technology to improve ordering methods and to enhance communication with customers

- **The Solution**
An online system based on IBM Websphere™ e-commerce suite

- **The Benefit**
Using a Web-based system, customers are able to order products and access information 24 hours a day, 7 days a week

Roche Diagnostics is the world's leading service provider of diagnostic systems and decision-oriented health information. Roche Diagnostics provides a broad range of products and services that offer solutions for the prevention, diagnosis and monitoring of diseases. Roche Diagnostics' customers are medical laboratories, doctors' offices and patients, research labs and universities. With its headquarters in Basel, Switzerland, Roche Diagnostics has affiliates in more than 50 countries and its more than 17,500 employees work at research and production locations around the world.

Increasing customer satisfaction

According to Kathy Schmelig, head of e-sales in global marketing for Roche Applied Science, one of the company's key strategies for success is its attentiveness to customer needs. "Over the years, Roche Diagnostics has gone through many changes. Our product line has grown and our client base has expanded. Through all of these changes, Roche Diagnostics has made customer satisfaction a top priority," she says.

Erich Weyrauther, Roche Diagnostics' head of e-business at global informatics, explains that in 1999, Roche Diagnostics thought it would be able to serve its customers better by developing an online ordering and support system. He says that Roche Diagnostics believed a new technology system would benefit the company in the following areas:

- *More accessible to customers on a global scale*
- *Increase customer loyalty*
- *Gain new customers*
- *Expand the life science reagents business*

"We decided to use e-business to support our company strategy, which is to achieve the perfect balance between service and the availability of information and innovative technology for all our customers. We wanted to develop an online system to sell our products via the Web and to provide information and technical support to all of our customers worldwide, 24 hours a day, 7 days a week," says Weyrauther.

Selecting a qualified partner

According to Weyrauther, soon after Roche Diagnostics made the decision to develop an online Web system it sought IBM's assistance as its "end to end" e-business partner. "We knew that IBM would be the best technology partner for us. IBM has expertise with the latest technology and offers a great deal of innovative services and solutions. IBM provided Roche Diagnostics with consulting, development, implementation and hosting services," he says.

“Because of the new system, customer loyalty has increased and they are more likely to stay with us, instead of switching to a competitor.”

Kathy Schmelig, head of e-sales in global marketing for Roche Applied Science

IBM's strong global presence was also one of the reasons Roche Diagnostics selected the company. “Once the system was developed and implemented we wanted to make sure we were working with a company that could roll out our system globally,” says Weyrauther, “IBM understood that processes, infrastructure, supporting applications and legal requirements differ from country to country. IBM knew what was needed to provide total customer satisfaction.”

New ways of doing business

The online system that Roche Diagnostics chose to implement was based on the IBM Websphere™ commerce suite. Weyrauther says that Roche Diagnostics wanted to ensure that its new technology system would:

- *Hamonize existing infrastructure*
- *Exploit the Internet to obtain access to new customers*
- *Explore new ways to open one-to-one dialog with customers*
- *Support the Roche Diagnostic image through the Web presence*

“In addition to providing customers with the opportunity to buy our products online, we also felt it was important for the system to be able to profile our customers. We have been able to do this by leveraging the system's convenience tools,” explains Schmelig.

Convenience tools include favorite lists that enable customers to create and save lists of their favorite products and site links. Profiles are created for each customer who uses the system, saving the user's data and making it possible to recall their order history. The profiles also make it possible for users to regularly schedule re-orders. In addition, Schmelig says, “we will use the customer profiles to launch permission-based direct marketing efforts.”

A successful system

Schmelig explains that Roche Diagnostics' first e-shop (IbuyBiochem.com), where all of its products are offered for sale, was first made available to customers in the United States. The e-shop was gradually replicated in other Roche Diagnostics' business units and countries including Germany, Italy, the United Kingdom and Japan. “Although Roche Diagnostics is still in the early stages of its global roll-out,” she says, “the new system is already well accepted and we are seeing a rapid increase in our Web-based sales.”

"Customers really like the system. They've discovered that ordering is much more convenient. It's available any time and due to features like favorite lists and customer profiles, the whole process is easier with fewer errors being made," she says. "Because of the new system, customer loyalty has increased are they are more likely to stay with us, instead of switching to a competitor."

IBM has also helped Roche Diagnostics develop specialized sites that will further benefit customers. An example of a site is: *Diabetes-World.net*. Accessible to customers in Germany, the portal offers assistance and information on the disease of diabetes for patients, physicians and healthcare plan providers.

"We've had an extremely successful partnership with IBM," says Weyrauther, "IBM helped us develop a rock solid solution on exceptionally reliable hardware. The IBM team we've worked with are competent, committed and cooperative people. We've been able to rely on their expertise in planning, development and implementation. We plan to continue our relationship for a long time."

Find out more

To learn more about other IBM offerings, please visit our Web-site at **ibm.com/industries/healthcare**

For further information about Roche Diagnostics go to www.roche-applied-science.com, www.lbuyBiochem.com or www.roche-diagnostics.com

For IBM-designated country sites, go to:

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Boca Raton, FL 33487
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11-02
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