IBM

Ricoh Europe targets better performance information across its European sales subsidiaries

Overview

■ **The Challenge**

To improve visibility of performance across 14 European sales subsidiaries and to provide a means of sharing best practice and enhancing customer satisfaction.

■ **The Solution**

A regional data warehouse is being created using data feeds from the sales subsidiaries with IBM WebSphere DataStage software performing the extraction, transformation and loading of data.

■ **The Benefits**

– *Ricoh Europe is able to gain a clear view of performance across its European sales operations, based on common KPIs*

– *Data processing costs have been cut by 50 per cent, due to the speed of data integration offered by WebSphere DataStage and the elimination of manual coding*

– *Ricoh Europe has a central repository to analyse areas for improvement and share best practice across its sales organisations*

– *Sales subsidiaries have more timely access to service and maintenance data, enabling them to serve customers better*

Office products company, Ricoh Europe, part of the Japanese Ricoh Company, wanted to bring its European sales subsidiaries closer together by developing common definitions for products, key performance indicators, and common business processes across the region. It decided to implement a new regional data warehouse in order to facilitate better visibility into the performance of its sales organisations, while providing a means to identify areas for continuous improvement and to share best practice. IBM WebSphere DataStage was chosen as the extract, transform and load tool to feed data from multiple sources into the warehouse quickly and efficiently. With a clearer view of the performance of its sales operations and better information about service and maintenance, Ricoh Europe is in a stronger position to continuously improve customer satisfaction in a highly competitive industry.

> *"The after-sales support we provide is a crucial means for us to differentiate ourselves from the competition."*
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> *Chris van Eck, Assistant General Manager, IT Division, Ricoh Europe*

Ricoh Europe BV is the European arm of Ricoh Company, the Japan-based manufacturer of office equipment, including digital copiers, printers, scanners, fax machines and PCs. With its headquarters in Amstelveen near Amsterdam in Holland, Ricoh Europe runs centralised functions, such as customer service, marketing and a service parts warehouse, and sells Ricoh family products through its 14 sales subsidiaries across the EMEA region.

Ricoh Europe has also extended its sales and distribution network through acquisition. In 1995, it acquired NRG Group plc, a UK-based document solutions company with subsidiaries in around 40 countries and in 2001, it acquired US-based Lanier Worldwide to strengthen its direct sales channels. It now markets products across Europe under multiple brands, including Ricoh, Nashuatec, Rex-Rotary, Lanier and Gestetner.

No clear view of performance
Ricoh's European sales subsidiaries were running a number of different systems and databases and employed their own business processes. They also used different definitions of products and key performance indicators, which meant that it was virtually impossible to access reliable performance and management information on a pan-European basis. Meanwhile the localised capture of data in multiple Excel spreadsheets and other formats made the process of reporting to Ricoh Europe laborious and time-consuming for the sales organisations themselves.

Ricoh Europe decided that it needed to improve information access and reporting at both the regional and local levels and that it needed to try to harmonise business processes as much as possible. "Our overall business objective is to bring together our sales organisations and to try to achieve a better management view across operations," says Chris van Eck, Assistant General Manager in the IT division at Ricoh Europe. "By harmonising business processes, we can begin to think and act like a group, share valuable knowledge and reduce costs. Our sales companies were reinventing the wheel time and time again. Now we hope to share information about the common areas that require improvement and to share best practice."

A two-pronged data management strategy
Ricoh Europe has embarked on a data warehouse project to achieve these goals. A regional data warehouse is being implemented to integrate information on key performance indicators, such as financial, sales, after-sales, service and supply chain data, from across the European sales subsidiaries. The data warehouse is being powered by business intelligence technology from Cognos, while IBM is providing WebSphere DataStage software to extract, transform and load data into the new warehouse.

Locally, sales organisations will be able to gain better visibility of operational information, particularly around sales, support and contracts, to help them serve their customers better. "We operate in an intensely competitive industry," says van Eck. "Our products need to be very stable and the after-sales support we provide

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is a crucial means for us to differentiate ourselves from the competition. If local sales organisations can get better information about individual machines – when they were last serviced, what their problems have been, how many copies per minute the machine has produced in its lifetime – it enables us to be more proactive about the service we offer customers and to take action by, for example, carrying out preventative maintenance or offering the customer a replacement machine."

Identifying the right supplier
Ricoh Europe set about finding an extract, transform and load (ETL) vendor whose software could integrate large volumes of data from multiple sources at optimum performance levels. After receiving proposals from multiple suppliers and evaluating their presentations, it decided to use WebSphere DataStage for the project.

"WebSphere DataStage offers proven technology, strong functionality, scalability and a rapid return on investment," says van Eck. "WebSphere DataStage is an excellent software platform for data integration and conversion, allowing us to integrate data quickly and efficiently without the need for manual coding. It also works seamlessly with our multiple database environments, which include Oracle, SQL Server, DB2 and Sybase."

Another factor in the choice was that Ricoh Europe already had some experience of WebSphere DataStage through Ricoh France, where the product was being used very successfully.

Ricoh Europe is making a significant investment in its new data warehouse. Although the implementation isn't yet complete in all 14 countries, the company envisages substantial business benefits.

Improving business performance, while cutting IT costs
Ricoh Europe has guaranteed that essential performance data will always be available on a near real-time basis. "Our ultimate goal is that at any time, we will be able to see the sales turnover or performance record of a particular machine in a particular country," says van Eck. "At the touch of a button, Ricoh Europe management will be able to compare the performance of countries across common KPIs and assess where there is room for improvement."

While at the business level, access to this crucial data has been secured, at the IT level, Ricoh Europe envisages that it will save a massive 50 per cent in the cost of data processing. This is from the improved processing times offered by WebSphere DataStage, which ensure that the source systems and the data warehouse are almost in synch and eliminate the need for manual coding. In addition, WebSphere DataStage will help Ricoh Europe to improve the quality of its data, because it offers the ability to map specific information back to its source. It can help to expose vulnerabilities in back-office systems and the duplication or low quality of individual data items.

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Ensuring continuous improvement

Ricoh Europe doesn't just envisage using the data warehouse as a means to monitor performance and keep a watchful eye on European operations. Rather it views the improved data access as a means of achieving its mission of continuous improvement in everything it does.

"Not only will our sales organisations be able to take an even more proactive approach to servicing our customers, but we will be able to identify areas for improvement through the data warehouse," says van Eck. "For example, we could look at the performance of an individual photocopier and if it consistently requires parts replacement after only 20,000 copies, we might decide to notify product development in Japan. They might then decide to use this information to modify the specification of that particular product."

Ultimately the data warehouse will be a vital factor in Ricoh Europe continuing to perform well in a highly competitive industry and will provide the basis for closer cooperation between the European sales organisations. "The data warehouse will be crucial in all business areas, where we want accurate data, where we want to monitor performance and where we want to continuously improve," concludes van Eck. "It will also provide a valuable foundation for building successful business and IT initiatives across Europe in the future."

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