

SAP Customer Success Story Construction – Plumbing Supplies



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Ulrich Zeppenfeldt, Service Center Manager, Viega GmbH

AT A GLANCE

Summary

Viega GmbH integrates its complaints management processes with the mySAP™ Customer Relationship Management (mySAP CRM) solution to provide a 360° view of its customers and enhance customer service.

Web Site

www.viega.com

Key Challenges

- Reduce complaint resolution time and accelerate paper-based processes
- Provide a single view of the entire customer relationship for all customer-facing personnel
- Improve reporting to drive continual improvements in quality and service

Project Objectives

- Enhance complaints processing with a new solution
- Integrate complaints processes with existing IT environment
- Improve customer and management information

Solutions and Services

mySAP CRM, which includes complaint management, interaction center, and mobile sales software

Why SAP® Solution

- mySAP CRM provides a consistent, customer-oriented solution across call center and mobile sales operations
- SAP® software provides easy integration with existing environment
- BearingPoint, a special-expertise partner of SAP, provides extensive CRM and process transformation experience

Implementation Highlights

- 300 users, including 30 call center agents and 120 users of mobile sales software in mySAP CRM
- Nine months from start to go-live
- Future-proof platform for global rollout and possible portal projects

Key Benefits

- Complaints processing time has been reduced from 4 days to 30 hours.
- Customers have a single point of contact for all sales, service, and complaints inquiries.
- Enhanced responsiveness improves customer loyalty and retention.
- Telesales and field sales staff have a complete view of the customer.
- Company can introduce accurate SLAs to further differentiate service.
- Reduction in paper-based processing and manual effort improves accuracy.
- 200 to 300 report templates have been replaced with 15 standard reports that deliver higher-quality information.
- In-depth management information enables ongoing quality and service improvements.

Implementation Partner

BearingPoint

Existing Environment

SAP software that is now available in the mySAP ERP solution; SAP business information warehouse software, now available in the SAP NetWeaver™ platform

Database

Oracle

Hardware

IBM Regatta

Operating System

AIX

VIEGA GmbH

Company Streamlines Complaint Management with SAP® Software

Headquartered in Attendorn, Germany, Viega GmbH is a leading international supplier of plumbing products to the construction industry. The company was founded in 1899, has more than 2,000 employees, and sells over 12,000 products to construction companies and independent builders across Europe and in the United States. Viega chose SAP® software to improve its ability to process and manage complaints.

Taking Pride in a Quality Service

Quality is extremely important for Viega. The company prides itself on the safety, reliability, and ease of installation of its product range. After all, if plumbing systems fail, that can cause a great deal more than inconvenience, with the potential risk of flooding and damage to walls, floors, and furnishings.

Viega is also proud of its customer service and insists that when a product fails or a customer receives damaged goods or an incorrect order, the situation must be rectified as quickly and efficiently as possible. As a result, the company relies on its quality assurance, customer relationship management, and complaint management systems to maintain the levels of service that its customers expect.

Viega runs its business on the mySAP™ ERP solution and uses the mySAP Customer Relationship Management (mySAP CRM) solution to manage its customer relationships. The company implemented the interaction center and mobile sales software in mySAP CRM to empower its call center and field sales professionals. Its complaints management processes, however, were handled by a separate quality assurance system from IBS AG.



At Viega there are two basic kinds of “complaints,” as Ulrich Zeppenfeldt, Viega’s service center manager, explains, “A ‘technical complaint’ relates to a defective or damaged product or request for a spare part – a unit that was damaged in transit, for example. A ‘commercial complaint’ relates to straightforward order problems, if, for example, a customer receives 100 units instead of the 1,000 they ordered. While our existing complaints management system gave us the basic functionality we needed, we had reached the limits of what we could do with a separate complaints management platform.”

The time had come for Viega to reevaluate its complaints process, and the company turned to BearingPoint, a special-expertise partner for mySAP CRM and a specialist in customer relationship management and business process transformation.

Customer, Not Product Focus

There were several challenges to overcome. Most important, Viega’s complaints management processes were product-oriented, not customer-oriented. Its complaints management software ran in its quality assurance department, while its mySAP CRM applications were used by customer-facing staff in the contact center and in the field.

“This meant that each department had no complete view of the entire customer’s history without running multiple applications,” says Zeppenfeldt. “That was a time-consuming and cumbersome process, particularly for contact center staff trying to provide a fast, professional service. It also meant our customers had no single point of contact for complaints, product issues, sales, and service inquiries.”

Intensive Paper Processes

Viega’s existing complaints management system still required that a great deal of paperwork be created, stored, and exchanged between its internal departments and customers in order to resolve an issue, whether it was making a credit note for a defective

product or reordering products in mySAP ERP. For some complaints, an operator had to enter 20 or more items into the complaints management system, and then repeat the process in mySAP ERP to resolve the issue.

“All paperwork must be stored for auditing and quality assurance purposes, but with internal ‘paper-based integration’ between complaints it could take days to resolve a customer issue. There was also no way to keep customers informed automatically about the status of an outstanding complaint,” says Zeppenfeldt. “This was something we were determined to address.”

Limited Analytical Capabilities

In addition, Viega’s existing complaints management system had limited analytical capabilities. Product quality and response times to customer complaints are critical performance indicators, but Viega’s customer service and engineering staff had to rely on their own ad hoc reports to generate intelligence to support the decision-making process.

Some 200 to 300 report templates were used across the company, which meant that business intelligence was not only difficult and time-consuming to manage, but there was little potential for in-depth multidimensional analysis to help drive improvements in quality and service.

Fully Integrated Complaints Management and a 360° View of Customers

“With BearingPoint, we realized that we had a significant opportunity to reengineer the entire complaints management process and implement a new system with mySAP CRM – overcoming all of our key challenges in a single project,” says Zeppenfeldt.

BearingPoint worked closely with Viega’s engineering and customer service departments to create a new, streamlined complaints management process with advanced escalation, delegation, and processing of complaints electronically across Viega’s quality assurance, returns, logistics, sales, service, and finance departments.

The project began in March 2004, a pilot project went live in November, and the full system was rolled out at the beginning of 2005, including English and German language versions for Viega's customer service center, as well as French and Italian versions for mobile users.

“We can guarantee high availability, expertise, customer focus, and reliability, as well as short complaint processing times – and in our market this is a key differentiator.”

Ulrich Zeppenfeldt, Service Center Manager, Viega GmbH

The result is a complaints management process that is fully integrated with mySAP CRM; SAP business information warehouse software in the SAP NetWeaver™ platform; and mySAP ERP. This integration gives Viega a true 360° view of its customers, and a customer-oriented complaints process that helps the company provide significantly higher levels of customer service.

“Today, whether a customer has a sales inquiry, service inquiry, or a technical or commercial complaint, they have a single point of contact – our service center – where operators can see all outstanding issues as part of a complete picture of that customer's history,” says Zeppenfeldt. “When a customer needs to report a defective or damaged product or a problem with an order, our customer service staff can log the issue directly in mySAP CRM.”

This saves time and improves accuracy, because the issue only has to be logged in once. More importantly, with full integration of the complaints process into Viega's SAP business applications environment, a complaint can automatically trigger the actions required to resolve it, such as generating an order for replacement parts or a credit note in mySAP ERP.

Integrated complaints management is not only making a day-to-day impact on customer service, but it is also driving ongoing improvements in the service level agreements (SLAs) that Viega provides to its customers. The company is working toward a standard 10-day response time for technical complaints that will form an important part of its overall portfolio.

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Ulrich Zeppenfeldt, Service Center Manager, Viega GmbH

Significantly Better Service

The new solution has drastically reduced Viega's reliance on paper documents, too. All paperwork relating to technical complaints is scanned, archived, and attached to the appropriate record in mySAP CRM. For complaints relating to inaccurate orders, this has improved the turnaround time from four days to about 30 hours – and many issues are resolved within a day.

“The end result for customers is significantly better service: they get faster results and better information through a reliable complaints management process at Viega,” says Zeppenfeldt.

The new paperless process also keeps customers informed about the status of their complaint, with electronic confirmation sent via e-mail when they return a damaged or defective product. There are benefits for Viega's sales and marketing activities, too. Previously, call center and field sales staff had no clear visibility of outstanding customer complaints when dealing with a customer on the telephone or face-to-face, which could obviously impact their ability to sell effectively. Because mySAP CRM integrates complaints management with interaction center and mobile sales, now these key customer-facing staff members are always completely informed about the status of customer accounts and are able to act accordingly.

Enhanced Reporting

Viega's reporting capabilities have also been enhanced. The company uses business information management software in SAP NetWeaver to hone its business performance and can apply the in-depth reporting and analysis capabilities it offers to complaints management processes as well. This provides invaluable support for key strategic and tactical decision making. For example, Viega can analyze failures by product line in order to improve quality; analyze complaints for a product against margins for that product; or analyze complaints per customer to help determine if product quality or customer error has caused a problem during installation.

Viega's previous 200 to 300 report templates have been replaced by just 15 standard reports that deliver a much higher quality of business intelligence. Once, a standard quarterly complaints report would take up to 5 hours to generate, but now it can be produced in just 30 minutes.

Improved Customer Loyalty

Beyond SLAs, however, Viega's streamlined complaints management system is having a positive impact on customer loyalty. Now, Viega not only sells an extensive portfolio of high-quality products, but also has the tools to drive continual improvement in its portfolio through analysis of complaints, as well as the ability to provide fast, efficient service in the event that something does go wrong. Many of its customers are relatively small building merchants, and with a great deal of competition in the construction industry, they simply cannot afford to let their end customers down.

A "First-Class" Process

With integrated SAP software for complaints management, Viega can offer a new level of assurance that it will look after its customers in any eventuality. Viega's future plans include a full rollout of mySAP CRM to its U.S. operations. In the long term, Viega would like to use SAP NetWeaver Portal, a component of the SAP NetWeaver platform, to provide a single interface to all of its key business processes and applications for its global workforce.

Zeppenfeldt says, "Thanks to our work with BearingPoint and the reliable mySAP CRM solution, we can now provide a first-class complaints management process to global customers. We can guarantee high availability, expertise, customer focus, and reliability, as well as short complaint processing times – and in our market this is a key differentiator."