HSE24
HOME SHOPPING SPECIALIST INTEGRATES ITS SERVICE PROCESSES WITH SAP® CRM

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Norbert Paulus, Head of Broadcasting and IT, HSE24

QUICK FACTS

Company
- Name: HSE24 (Home Shopping Europe GmbH)
- Location: Ismaning, Germany
- Industries: Retail and media
- Products and services: Sale of consumer items via home shopping TV channel
- Revenue: €441 million
- Employees: 610 (direct); 2,200 in call centers and logistics (indirect)
- Web sites: www.hse24.net, www.hse24.de
- Implementation partner: cm4 GmbH & Co. KG

Challenges and Opportunities
- Focus on the customer in all processes by implementing the "Customer Is King" project
- Increase customer satisfaction by improving service quality
- Manage high-performance call centers and sales and service processes in real time
- Enable multichannel capabilities

Objectives
- Implement a new platform for service and sales in a quickly growing segment
- Replace heterogeneous legacy systems to achieve a unified view
- Integrate customer-related sales, service, and marketing processes in all project phases with a central platform
- Optimize processes with fast and flexible request handling, high system availability and flexibility, and optimal user-interface performance and ergonomics

SAP® Solution and Services
SAP® Customer Relationship Management (SAP CRM) application, including functionality for a customer interaction center

Implementation Highlights
- Fully release-capable, high-performance solution based on standard software and tailored to the needs of HSE24
- Sound basis for implementing new CRM functions and processes
- Support for call center agents to process a large proportion of customer requests independently from start to finish

Why SAP
- Integration of customer-facing processes with the existing SAP for Retail solution portfolio
- Preconfigured application for faster implementation
- Industry and technology expertise for retail and media that was provided by the implementation partner
- Future-oriented platform

Benefits
- More comprehensive purchase advice and faster problem solving during initial customer call
- Centrally available information for all customer requests in accordance with the authorization concept

Existing Environment
- SAP for Retail solutions
- Third-party sales applications

HSE24

In 1995 Munich-based HSE24 (Home Shopping Europe GmbH) became Germany's first home shopping channel. Today HSE24 is a multichannel provider with its own channel family, an online shop, and a mobile shopping app for smartphones. On its main channel alone, it broadcasts via cable and satellite, reaching over 40 million households in Germany, Switzerland, and Austria. Hour-long sales shows – 16 of which are live – present merchandise such as jewelry, clothing, beauty products, and household electronics 24 hours a day.

Enhancing the Home Shopping Experience

The retail and media company's estimated 1.5 million active customers can place orders and obtain information free of charge by telephone, Internet, text, mail, fax, or using a mobile shopping app. "Customers can reach our sales and service teams via every possible channel – multichannel retailing in its purest form," explains Etelka Wenzel, who, as head of customer relationship management (CRM) and business engineering, is responsible for sales and service processes at HSE24. That's an average of 35,000 calls per day, handled by up to 1,440 agents at a total of 10 call centers. In peak periods the number of daily calls can exceed 63,000.

Successful home shopping is all about meeting the requirements of conventional mail-order shopping while mastering the challenges of a media enterprise. "Conducting a live retail business successfully means processing customer requests immediately and maintaining a direct line between call centers and the live TV show," explains Norbert Paulus, head of HSE24's broadcast and IT division.

> "The experience we gained . . . will serve as a sound basis for the next stage of our 'Customer Is King' initiative. We plan to model our sales processes in SAP CRM and take HSE24 to the top of the home shopping league."
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> **Norbert Paulus,** Head of Broadcasting and IT, HSE24

In Paulus's view, home shopping processes are arguably more complex than those of conventional mail-order shopping because sales agents have to respond and adapt on a minute-by-minute basis. After all, if you can't update stock levels in real time, you can't show your viewers how many products are still in stock. "When we present a product on TV, the telephones ring constantly. So our sales and service personnel need to have access to the most up-to-date data," adds Wenzel.

Optimizing Service Processes with SAP CRM

In the first phase of its "Customer Is King" project, HSE24 replaced its heterogeneous system landscape with a single standardized foundation that would enable it to optimize its service processes. Following a decision phase involving four different solutions, HSE24 opted for the SAP® Customer Relationship Management (SAP CRM) application with its functionality for customer interaction centers. "Enhancement

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Etelka Wenzel, Head of CRM and Business Engineering, HSE24

functionality and company-wide integration were the deciding factors in our choice for SAP CRM," explains Paulus. "Our service processes dovetail with our retail operations, which were already running on SAP for Retail solutions."

SAP CRM now forms the basis for a new infrastructure and was customized by HSE24's implementation partner, cm4 GmbH & Co KG, in the required areas. These included a comprehensive knowledge database, specific financial accounting processes, and questionnaires for customer feedback. cm4's expertise and close partnership with SAP helped ensure that these enhancements are incorporated into further development of the standard SAP software in the medium term.

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Linking Sales and Service for Customer-Oriented Action

HSE24's tailored solution links its customer service center with the TV programs and integrates all relevant internal and external functions, including logistics, accounting, and vendor management, on the same platform. Both the Web shop and the call centers – which are operated externally – are also connected to the system running SAP software. Telephone agents at the call centers gain access through a browser and log on as incoming calls are received. Data relating to customers, products, programs, and processes is stored centrally, which increases transparency. Depending on their authorization profiles, both external and internal personnel can check stock levels, order histories, and article information in real time. Armed with this up-to-date information, sales and service agents can take fast, customer-oriented action.

Thanks to electronic workflow and the use of role-specific interfaces, instructions and subprocesses are automated. For example, when a goodwill payment is made to a customer, the amount can be credited to the customer's account so quickly that the recipient receives confirmation of the transaction before the call ends. Automated call receipt means that callers are rarely left waiting – even during peak periods – and are switched straight through to an agent at an active call center.

Meeting Future Challenges with SAP CRM

In the next phase of the project, which will involve implementing SAP CRM for the sales process, even more of the application's strengths are expected to emerge. "As we progress through the project and our range of CRM functions increases, we expect to be able to support both cross-selling and up-selling," explains Paulus. The company also expects to be able to continuously raise efficiency levels by evaluating instantly measurable data such as the number of agents, the number of calls taken and forwarded, the duration of calls, and the length of time taken to process requests.

"We have achieved our objectives. And we are very satisfied that implementing SAP CRM has significantly improved the quality of our service, not least by increasing our first-call resolution rate," concludes Paulus. "The experience we gained in the first project phase will serve as a sound basis for the next stage of our 'Customer Is King' initiative. We plan to model our sales processes in SAP CRM and take HSE24 to the top of the home shopping league."

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