

Olympus aligns IT with customer needs

# Customer Service Under the Lens

Customer focus means seeing the world through the eyes of your customers. The Japanese optical technology manufacturer Olympus took this advice to heart and realigned its customer service according to its customers' needs using SAP Customer Relationship Management.

Designing the perfect customer service infrastructure was the goal of Olympus. And it achieved just that with a simple yet revolutionary idea: Olympus had its employees trade places with the customer. Repair department employees swapped roles with stressed doctors who needed endoscope or microscope repairs, customer service experts finally understood the pressure nurses face, and sales staff got a first-hand look at the tasks of hospital equipment managers. Employees, who had never worked in any of these situations, walked through every process. In doing so, they discovered many redundancies and identified issues that slowed down service delivery to the customer.

## The customer is key

Olympus determined that it was time to completely rebuild its customer service. Senior managers decided to align IT with real business processes and cus-

tomers requirements. Instead of creating the perfect process for the company, Olympus created the perfect process for its customers. To achieve the necessary transformation, the company looked to the SAP Customer Relationship Management (SAP CRM) application.

In the past, each Olympus service department had its own system. If customers returned a product for repairs, data was handled by a dedicated repairs system. If it turned out that the product needed to be replaced altogether, a separate system for product replacements came into play. A separate sales system, also not integrated with the other systems, completed the picture. As a result, customers' data could not be accessed across the various systems, forcing hospital staff to re-explain their repair needs to the individual Olympus departments at every step. Meanwhile, sales staff were not informed of customer complaints and could not enter the latest information



The renowned Olympus precision: now available in its customer service infrastructure

## ■ OLYMPUS CORPORATION

Olympus is a leading manufacturer of digital cameras, medical endoscopes, and other medical devices, including microscopes. Olympus is headquartered in Tokyo and employs more than 32,958 people worldwide. For the fiscal year ending March 31, 2007, Olympus reported net sales of ¥1,061,786 million (approximately U.S.\$8,848 million).



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**Masahito Kitamura,  
IT general manager  
of Olympus**

into their customer databases. Simple but important tasks such as creating customer-specific offers were impossible.

#### **Informed at every stage**

SAP CRM has put an end to time-consuming and redundant work. Now, if an endoscope is beyond repair, the service order is automatically transferred to the replacement department. With up-to-date data, Olympus can now coordinate repair processes with service part procurement. Both Olympus’ internal and external networks benefit from this transparency: “With SAP CRM we can better share information within our group and our distributors,” says Masahito Kitamura, IT general manager of Olympus.

The IT system itself has been elevated to a new importance: While it previously only supported repair processing, it now provides transparency for service employees. Olympus can call up the current repair order status and keep customers informed at every stage. The system can even provide hospitals with a specific repair delivery date and complete cost breakdowns – important given the ever tighter budgets in the healthcare sector. With this information, hospitals can analyze their costs and find potential for optimization.

With the detailed information provided by SAP CRM, Olympus has gained valuable insights into how its customers use its products. If, for example, Olympus notices that a particular doctor has recurring endoscope problems, there is a good chance that the doctor is not using the product correctly – an opportunity for Olympus to step in and offer training.

#### **Unlimited growth**

Now that Olympus has experienced the benefits of integrated software, it plans to drive integration in other areas of the company as well. The SAP ERP application is set to be used in selling cameras in the B2C segment. The company’s logistics systems will be optimized using the SAP Supply Chain Management application. And the standardization initiative will not stop in Japan: Like so many companies, Olympus operates a major manufacturing plant in China where SAP applications have been already implemented. This manufacturing system will be expanded to a new plant in Vietnam. And a new SAP system integration plan is being rolled out in the Southeast Asian and Pacific area, for example, in Korea and Australia.€

Kitamura is positive that SAP solutions will help the company realize innovations faster. “Our industry is changing rapidly. We need to change our products and business processes to maintain speed, and the SAP system helps us keep up with the pace,” says Kitamura. Olympus’ tighter relationships with its customers, for example, are helping it obtain valuable product feedback. These customer insights can then be channeled back into the development of new cameras and microscopes that are easier to use – and popular with customers.

Olympus has recognized that hearing the voice of the customer is vital for continued growth and success. And SAP is helping Olympus cut through the information clutter of modern business to hear its customers loud and clear.

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