SAP Business One

SAP Customer Success Story
Retail – Medical Devices

hhp

INTEGRATING, AUTOMATING, AND MOBILIZING BUSINESS FOR DIRECT SALES AND GLOBAL ROLLOUT

"SAP Business One has enabled us to build an integrated business with always-on iPad connectivity for sales teams that will accelerate direct sales and expansion into new markets."

Frank Meier, Managing Director, hhp GmbH

QUICK FACTS

Company
- Name: hhp GmbH
- Location: Karlsruhe, Germany
- Industry: Retail – medical devices
- Products and services: medical andullation therapy systems
- Employees: 310
- Web site: www.hhp-info.com
- Implementation partner: Wrede GmbH

Challenges and Opportunities
- Grow revenue and customer base by generating leads through the Internet and TV and selling through home visits
- Expand from Germany, Austria, Switzerland, and Belgium into the rest of Europe and worldwide

Objectives
- Reengineer business processes to manage the rapidly growing customer base generated by direct sales and geographic expansion
- Increase sales-force productivity, cut order lead times, improve customer service, and reduce cost of sales
- Gain a real-time view of operations
- Build a scalable, agile business that can respond dynamically to changing market trends and customer needs

SAP® Solutions and Services
SAP® Business One application

Implementation Highlights
- Implemented on budget within a 7-week time frame with 2-day user training
- Interfaced SAP Business One to the iPad from Apple Inc. to connect sales executives
- Enhanced standard functionality with add-on solutions built by Wrede

Why SAP
- Complete business management functionality in a single application
- Customization to support specific needs thanks to add-on solutions built by SAP software solution partners
- Support for multiple languages and international sales legislation
- Potential for direct connection to the iPad to increase sales team productivity and enable instant order transmission

Benefits
- Increased number of customer visits made by sales teams by 40% through automated calendar functionality
- Captured new orders in seconds on the iPad and transmitted them instantly to the back office, speeding fulfillment
- Managed 500 new leads, added 1,000 new contacts, and sent out up to 1,000 product information packages to prospects daily
- Maximized contact center productivity with Wrede's add-on solutions that cut call times and process cycles
- Built a flexible direct-sales model that can scale to manage growth in customer numbers and interactions

hhp® home health products

Leading supplier of medical massage therapy systems hhp GmbH wanted to broaden its customer base and enter new countries for its market-leading products. The company has successfully used the SAP® Business One application to transform its business model to focus on geographic market growth and direct selling to end users. Field-based sales staff gain direct access to corporate data and can transmit orders from the customer site using the unique mobile application from SAP developed for the iPad from Apple Inc.

Building on Innovation and Success

Since its inception in 2002, hhp has achieved year-on-year revenue growth of 30% to 40%. The company's andullation therapy treatment combines mechanical vibrations and infrared deep heat to offer a new method of pain relief and prevention. It is sold to more than 2,200 clinics, physiotherapists, rehabilitation centers, and health centers. The hhp massage system is also used by the German Olympic Sports Confederation, the German National Ice Hockey team, the German Golf Association, the German Ski Association, and other sporting organizations. It is the first certified medical product of its kind. hhp already has a 95% market share in Germany, Austria, Switzerland, and Belgium, and sales are set to grow rapidly all over Europe and the rest of the world.

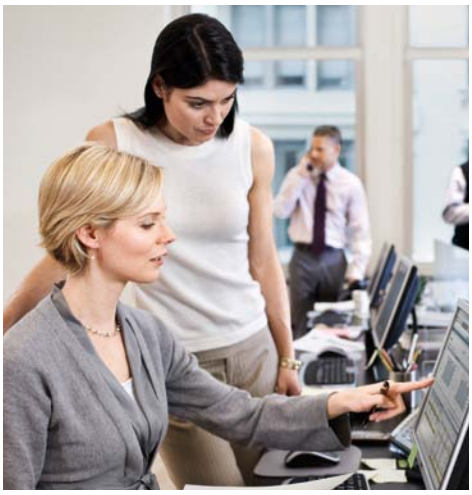
Until 2009 hhp's sales force marketed and sold its medical massage system to therapists and wholesalers at 1,500 trade fairs attended annually. Following a product demonstration, orders were taken manually, scanned into mobile devices, and remitted to back-office staff for fulfillment, shipment, and invoicing. The popularity and rapid growth in sales for the medical massage system, which provides relief for pain caused by spinal conditions and circulatory and lymphatic disorders, made hhp decide to expand into other European countries and beyond.

Modernizing and Evolving for Diversification and Growth

The company wanted to capitalize on its innovative andullation therapy systems by selling directly to home users from leads generated via the Internet. hhp also wanted to promote the therapy system through television campaigns and online advertising sites. In addition, hhp planned to adopt the successful "home visit" approach of demonstrating the features and benefits of its product directly to end users in their own homes to boost sales. "We recognized that online and TV lead generation was going to overtake the traditional trade fair model and would be less costly for us," says Steffen Kloiber, chief information officer for hhp. "We were also keen to use it to build closer relationships with the people who benefit from our product."

Growing its business globally and diversifying into direct sales would involve managing a large and dynamic database of clients and prospects. hhp's existing sales, marketing, and customer service applications were stand-alone applications, often with manual dependencies, which prevented the company from gaining a real-time end-to-end view of its operations.

"The results of our early TV advertisements and Google AdWord campaigns were very encouraging and resulted in a dramatic upturn in sales," says Frank Meier, managing director at hhp. "It was clear that we would be unable to execute our growth strategy to expand outside our core geographic market and sell directly to end users with our legacy software. We needed to reengineer our business on processes that were fast, lean, efficient, and could scale at the speed of business demand."



> "We chose the SAP Business One application because it is a multilingual, internationally compliant, future-proof solution with the scalability to manage our dynamically expanding business."
>
> **Frank Meier,** Managing Director, hhp GmbH

Sustaining Market Leadership and Competitive Advantage

hhp decided to create a dedicated contact center using automated, industry-best-practice processes to manage appointments for its sales teams, fulfill customer orders, and provide after-sales support. The company also wanted to integrate customer-facing processes with financial management and all key functions and build a flexible platform to support growth. Another goal was to engage and interact with customers during home visits and other client-facing events to enhance the end-user experience and to capture and dispatch orders more quickly.

hhp has been using the SAP Business One application since 2003 to streamline, automate, and integrate its financial and accounting processes. The company decided to roll out the sales, marketing, and customer relationship management functionality of the application to build a comprehensive platform on which to run its entire business and underpin continuous expansion and innovation. Real-time access to customer data, virtual product presentations, and other corporate information would be made available to field-based sales teams via their iPad using mobile functionality implemented for SAP Business One.

> "With SAP and Wrede as our partners, we can continue to capitalize on new opportunities whenever they arise in the knowledge that we are supported wherever our business takes us."
>
> **Frank Meier,** Managing Director, hhp GmbH

Selecting a Proven, Configurable, "iPad-Ready" Solution

hhp evaluated stand-alone customer relationship management solutions, but the software could not offer the breadth of functionality hhp required and did not provide iPad integration. In addition, the SAP Business One application would meet most of hhp's needs from standard functionality. Any specific needs could be accommodated through add-on solutions built by SAP software solution partners.

"We chose the SAP Business One application because it is a multilingual, internationally compliant, future-proof solution with the scalability to manage our dynamically expanding business," says Meier. "Its 'iPad-ready' user interface would provide unrivalled quality for product shots, presentations, and virtual demonstrations. Sales teams would be able to capture customer orders in seconds and transmit them instantly for fulfillment."

Completing Implementation in Seven Weeks

In 2010 hhp commissioned Wrede GmbH, an SAP gold partner, to implement the additional customer relationship management functionality and iPad integration. The project was completed on budget and within the company's allotted seven-week time frame. Wrede developed an add-on solution to provide hhp with customized contact management functionality, which simplified capture, search, and segmenting of customer details. Wrede's enhanced campaign management tool, also designed as an extension to the SAP Business One application, facilitates the workflow routing of selected customer details for inclusion in online campaigns as well as for scheduling sales visits. The tool is used by hhp to track campaign responses and analyze the effectiveness of each marketing initiative. Wrede's consultants trained hhp back-office staff and sales teams, who became confident users after two days. hhp's SAP Business One application is managed by Wrede, who maintains an on-site presence for one-and-a-half days each week.

"Wrede's consultants gave us a rapid, risk-free implementation while optimizing the customer relationship management functions of the SAP Business One application for fast time to benefit and maximum return on investment," confirms Kloiber. "Their expertise and commitment made it possible for us to implement the solution that would realize our vision without impacting day-to-day business operations."

Increasing Sales Visits 40% Through Automation and the iPad

Sales executives in Germany were quick to adopt the intuitive iPad-based sales model, which makes it possible for them to call up customer, product, and order data from the SAP Business One application. New sales opportunities and customer appointments are now scheduled electronically in each executive's diary using the calendar management functionality in the SAP Business One application.

"The automated calendar management functionality replaces manual scheduling and allows us to fix a visit date with the customer within seconds, as we can synchronize visits with each executive's diary commitments and current location," says Meier. "As a result, sales teams now make 40% more customer visits. Capturing and transmitting orders directly via the iPad has cut order-to-shipment time substantially. We plan to increase iPad user numbers from 20 to 70 by the end of 2011."

Handling 500 Leads and Up to 1,000 New Contacts Daily

hhp now has a single customer database, which allows contact center staff to locate in seconds the details and full order history of customers and prospects who telephone or e-mail the center. Wrede's add-on solutions have reduced most customer-facing processes to just a few clicks, which cuts call times, increases responsiveness to customers, and maximizes agent productivity.

"Our Google AdWord and TV advertising campaigns generate around 500 new leads each day, and our combined sales and marketing activities often bring us up to 1,000 new contacts daily," says Kloiber. "We send out around 1,000 information packages on a daily basis. The SAP Business One application has enabled us to build a direct-sales business model that lets us expand our customer base and geographic reach rapidly and inexpensively."

Building a Globally Orchestrated Business

hhp will roll out the SAP Business One application and the iPad-based sales model to Austria, Switzerland, France, Spain, and the United Kingdom by 2012. The company plans to extend access to 35 countries in the next five years. "The SAP Business One application enables us to build a globally orchestrated business while increasing our ability to adapt to market and customer change," says Meier. "With SAP and Wrede as our partners, we can continue to capitalize on new opportunities whenever they arise in the knowledge that we are supported wherever our business takes us."

WREDE
Konzepte für mehr Wirtschaftlichkeit

50 104 328 (11/04)
©2011 SAP AG. All rights reserved.

SAP, R/3, SAP NetWeaver, Duet, PartnerEdge, ByDesign, SAP BusinessObjects Explorer, StreamWork, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries.

Business Objects and the Business Objects logo, BusinessObjects, Crystal Reports, Crystal Decisions, Web Intelligence, Xcelsius, and other Business Objects products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Business Objects Software Ltd. Business Objects is an SAP company.

Sybase and Adaptive Server, iAnywhere, Sybase 365, SQL Anywhere, and other Sybase products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Sybase, Inc. Sybase is an SAP company.

All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.