



E-PLUS

LAUNCHING AN INTEGRATED DEALER MANAGEMENT PORTAL BACKED BY SAP® CRM

QUICK FACTS

“SAP has enabled us to implement a state-of-the-art dealer management solution that improves service to dealers, cuts time to market, increases end-user value, and reduces IT overhead.”

Ingolf Henne, Manager of Dealer Services and Support Manager,
E-Plus Service GmbH & Co. KG

Company

- Name: E-Plus Service GmbH & Co. KG
- Location: Düsseldorf, Germany
- Industry: Telecommunications
- Products and services: Mobile network operations
- Revenue: Approximately €3 billion (2007)
- Employees: 2,400 (full-time) in Germany
- Web site: www.eplus.de
- Implementation partner: SAP® Consulting

Challenges and Opportunities

- Collaborate more closely with dealers to increase sales to end customers
- Cut cost of managing dealer network by automating manual processes and enabling partner self-service
- Reduce IT overhead and increase infrastructure flexibility

Objectives

- Replace heterogeneous homegrown dealer management applications with standard software and applications
- Incorporate best-practice dealer management processes
- Implement a solution that can adapt to future business changes and scale dealer management practices

SAP Solutions and Services

- SAP Customer Relationship Management (SAP CRM) application
- SAP for Telecommunications solution portfolio
- SAP NetWeaver® technology platform

Implementation Highlights

- Implementation completed on time and within budget
- Smooth technical and cultural transition and rapid dealer adoption resulting from SAP Consulting organization support

Why SAP

- Complete dealer management solution
- Integrated business architecture provided by SAP NetWeaver, with agility to meet changing needs
- Telecommunications expertise and support offered by SAP Consulting

Benefits

- Streamlined management of the entire dealer life cycle
- Single interface for interactions with dealers through the SAP NetWeaver Portal component
- More efficient telephone and e-mail queries with the interaction center functionality in SAP CRM
- Faster order processing, with dispatch time reduced by 2 days
- Administrative costs to be cut by 20% within 3 years

Existing Environment

Enterprise resource planning software from SAP

e-plus⁺

Düsseldorf-based E-Plus Service GmbH & Co. KG, Germany's third-largest mobile network operator, is increasing competitive advantage while cutting overhead with its dealer management solution supported by the SAP® Customer Relationship Management (SAP CRM) application and SAP for Telecommunications solution portfolio. E-Plus is using its dealer management solution to build stronger relationships and work more efficiently with its 2,500 dealers who account for 80% of sales to its 10.7 million end customers. This dealer management solution enhances E-Plus's ability to compete more effectively in a mature market by growing and retaining its dealer base through high-quality, consistent service.

Lack of Integration Cuts Flexibility

E-Plus has a history of profitable growth. The company was the first to introduce private-customer tariffs, one-second units, and prepaid cards in Germany. Meeting the needs of all customer segments with its broad range of products has established E-Plus as a leading mobile brand with an excellent price/performance ratio and over 13% market share.

Prior to implementing SAP CRM with dealer management functionality for the telecommunications industry, the company used a stand-alone solution developed in-house to manage its dealers. Built on heterogeneous technologies and disparate applications, the system was expensive to operate and maintain. Changing a process to react to market

demand or respond to a competitor's offering could take up to nine months to develop, test, and implement.

"Our legacy dealer management solution was no longer agile enough to meet the needs of an expanding business like ours in a dynamic, highly competitive industry," says Bertram Hummel, innovations and technology manager at E-Plus. "We needed a flexible, comprehensive solution that would allow us to integrate dealers more closely into our internal processes, share market intelligence with them, and monitor their sales figures in near real time. At the same time, we wanted to streamline our entire business and cut costs by replacing our proprietary applications with processes based on commercial off-the-shelf software from a best-of-breed technology vendor."

SAP Consulting Recommends Industry-Specific Solution

E-Plus commissioned the SAP Consulting organization to analyze its requirements and make recommendations on how to build a best-practice dealer management solution. A team from SAP Consulting, comprising specialists in the telecommunications sector, recommended that E-Plus implement SAP CRM as its dealer management solution. Telecommunications-specific features and content are available in SAP CRM as dealer management, which is based on channel management. These features are included as part of the SAP for Telecommunications solution portfolio. The SAP Consulting team demonstrated how E-Plus could leverage both core CRM and telecommunications-specific functionality to deploy a complete dealer management solution that included integrated business flows between its own operations and those of its dealers.

Implementing SAP CRM gives E-Plus the full range of functionality and tools needed to manage a telecommunications company's dealer network. "The advantages and cost savings we would achieve by building our dealer management solution on SAP CRM, rather than a generic product, were clear and demonstrable," says Hummel.

"SAP could provide us with a single, integrated solution for all aspects of dealer management that would help us understand each of our dealers, what



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they sell, where, and to whom,” states Ingolf Henne, manager of dealer services and support at E-Plus. “This would give us sustainable competitive advantage in an aggressive, mature market where knowledge, innovation, and unrivaled service quality are the key differentiators among providers.”

Implementation Supported by SAP Consulting

SAP Consulting worked with the IT team from E-Plus to phase in the dealer management solution over a 15-month period. Each stage went live on time and within budget. SAP Consulting trained E-Plus in the maintenance and support of its new applications to enable the company to reduce reliance on external consultancies for future system development and upgrades.

“We chose a phased approach, rather than a single big-bang implementation, to minimize disruption to day-to-day operations,” says Hummel. “The support provided by SAP Consulting not only delivered a smooth technical migration but also helped ensure a smooth cultural transition for our people.”

Portal Provides Complete Communications

E-Plus dealers access the company’s dealer management solution via the SAP NetWeaver Portal component, which provides single sign-on and role-based access to all the applications and

services a dealer is entitled to use. Product brochures, technical specifications, updated tariffs, promotions, seasonal offers, and sales tools are now available in the portal. The forms used by E-Plus dealers to sign up new customers – a process that remains fax- and paper-based – can be downloaded as required. Virtual user-group meetings take place via the portal, improving collaboration by enabling dealers to exchange information and share market intelligence.

Each dealer now receives a personalized daily update via the portal on sales, new activations, performance against target, and commissions due. Because the information can be targeted to individual dealers, E-Plus can tailor its communications, making enhanced support services or information about higher commissions available to specific dealers, such as those in its highest category or those with the best month-end performance figures.

“SAP NetWeaver Portal provides complete support for all our communications with dealers,” says Henne. “It lets us automate the delivery of content to dealers at all levels and makes it easy for them to drill through data to find information quickly, without having to telephone the call center. Receiving near-real-time updates on sales performance and commission figures motivates dealers to sell our products and eliminates the need for them to contact regional managers for the information.”

Streamlined Contact Center Operations

Implementing SAP NetWeaver Portal has led to a reduction in the number of times dealers need to contact E-Plus directly, resulting in improved efficiency and cost savings. In addition, using the interaction center functionality in SAP CRM to automate contact-center operations has streamlined the handling of inquiries that are still routed via its help desk.

“Over the years, we had refined our legacy contact center management system to the extent that it too enabled us to resolve 85% of calls first time, but at a much higher cost of ownership,” said Henne. “Using SAP applications will cut the time agents spend on each inquiry as they need to look in only one place for all the information.”

Ten Percent of Orders Placed Online Within Three Months

SAP software for e-commerce is enabling E-Plus dealers to order all mobile phone products and accessories through an online product catalog. Using the portal to access the catalog, which lists real-time pricing and availability, dealers simply tick a box for each item required. When the dealer is finished, the order is routed via workflow to completion and payment, based on each dealer’s trading terms with E-Plus. This has cut both the cost of order management and the potential for errors. Integration with back-office processes cuts order fulfillment

time and improves cash flow for E-Plus by enabling invoices to be generated faster.

Placing orders and tracking the status of orders online is becoming increasingly popular with dealers. "After just three months, 10% of orders were coming in electronically as dealers saw the benefits of a faster ordering process and quicker turnaround," says Henne. "This figure is rising month by month."

Business Agility Through Integration and Innovation

E-Plus plans to make full use of the open integration enabled by the SAP NetWeaver technology platform to

"SAP NetWeaver overcomes the challenges of integration across the IT landscape that proved a big handicap of our legacy system," says Hummel. "It will let us integrate new solutions into our IT landscape and give us the flexibility to change processes within days, rather than up to nine months. SAP NetWeaver allows us to focus on business growth, knowing that our scalable, agile infrastructure will let us respond to challenges and seize new opportunities."

E-Plus is confident that its dealer management solution will support its strategy to increase market share by providing unrivaled support to its dealer base. "Our competitors have portal front ends for their dealers, and we were not

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build collaborative business processes across its SAP and non-SAP applications and extend them cost-effectively to its dealers. In addition to facilitating faster order placing, handling, and fulfillment, SAP NetWeaver will enable E-Plus to create new processes and introduce new ways of working with dealers.

the first to market with this concept," says Henne. "However, SAP dealer management tools, telecommunications-sector expertise, and process-centric architecture are enabling us to build a scalable, agile, end-to-end integrated dealer management solution. We will be able to cut operational costs and focus more resources on innovation to continue our strategy of gaining first-mover advantage in the competitive mobile market."

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